



SUSTAINABILITY REPORT

2020



MEHILÄINEN  
EST. 1909

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### ABOUT THIS REPORT

This is Mehiläinen's first corporate responsibility report. It contains information on the key material aspects of Mehiläinen's corporate responsibility and the progress made in 2020. The report has been prepared in accordance with the Global Reporting Initiative (GRI) standards Core option. The GRI index table can be found at the end of the report. The report is published in Finnish and English.

[Read more about our operations >](#)

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# Our year

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CEO'S SUMMARY

# For Mehiläinen, corporate responsibility means caring for people and society

**F**or 111 years, Mehiläinen has had a clear mission: to create better health and wellbeing. We have invested significant effort and energy into this task, and over time, it has resulted in the Mehiläinen we know today, providing services all across Finland. Our mission is carried out by over 22,000 professionals, whose wellbeing is at the core of our corporate responsibility efforts, alongside our customers.

Everything we do is guided by our values, which are also deeply rooted in our history. These values form the foundation for Mehiläinen's corporate responsibility which took significant steps

forward during 2020. Together with our stakeholders, we identified the key aspects of our corporate responsibility work and built a programme to support these efforts. Moreover, for the first time, we are publishing a separate corporate responsibility report in accordance with the globally established GRI framework. Mehiläinen was also rated by Ecovadis, one of the largest providers of sustainability ratings. Mehiläinen ranked in the top 30 percent in its sector.

Our responsibility themes highlight the cornerstones of Mehiläinen's business: the quality of treatment and care, a customer-driven approach, continuous development, steady and sustainable growth, and





responsibility for our personnel.

During the past year, Mehiläinen carried its weight in a challenging situation. The global pandemic caused by the coronavirus challenged but also encouraged us to take action on several fronts. Firstly, our digital capabilities took a significant leap forward, helping Finns get healthcare services quickly yet safely. Secondly, we quickly set up a nationwide testing network that enabled us to secure healthcare for the people of Finland even in this exceptional time. Thirdly, we had to resort to temporary personnel layoffs to secure the company's financial wellbeing, affecting the lives of many Mehiläinen employees. I am pleased that we were able to discontinue these adjustments by the summer.

Sustainable growth and sound finances ensured our ability to continue to invest in our expertise, service development and digital capabilities. These will allow us to further extend the services we offer while we continue to be a stable and reliable partner. We also take responsibility for future economic growth in Finland: we want to make the export of healthcare services a new pillar of the Finnish economy.

I am proud that for the first time we can now share our corporate responsibility efforts through this sustainability report. I am confident that it will encourage all of us at Mehiläinen to continue our work for responsible and sustainable healthcare.

**Janne-Olli Järvenpää**

During the past year, Mehiläinen carried its weight in a challenging situation. The global pandemic caused by the coronavirus challenged but also encouraged us to take action on several fronts.

MEHILÄINEN IN BRIEF

# 111 years of better health and wellbeing

**M**ehiläinen is a well-known and appreciated private provider of social and healthcare services in Finland. Mehiläinen's mission is to offer comprehensive high-quality services quickly and effortlessly to private, corporate, and municipal customers. Mehiläinen provides treatment, support, and care for 1.3 million customers every year at 540 locations, where services are provided by a large number of employees and private practitioners. Now 111 years old, Mehiläinen is a traditional but rapidly developing and growing forerunner in its sector.

Mehiläinen's head office is located in Helsinki, and the company's main market is Finland. On 1 January 2020, Mehiläinen's organisation was reformed and the businesses were divided into two areas: healthcare services (private and public) and social services. The funds managed by CVC Capital Partners are the principal owner of Mehiläinen. The parent company of the Mehiläinen Group in Finland is Mehiläinen Konserni Oy.

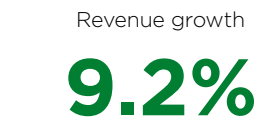
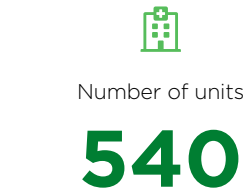
Mehiläinen's mission is to improve the

health and wellbeing of the aging population of Finland.

- You and your family get individual care quickly and smoothly.
- Together with us, employers can maintain their employees' health, ability to work and well-being.
- In cooperation with us, public-sector decision-makers can organise high-quality, cost-efficient public services.
- We offer health care professionals meaningful work in an inspiring atmosphere in which they can develop their skills. Widely recognised Mehiläinen is a pioneer of social welfare and health care services in Finland.

## Shareholders

Funds managed by CVC Capital Partners	<b>57%</b>
LähiTapiola Group	<b>20%</b>
Varma Mutual Pension Insurance Company	<b>8%</b>
The State Pension Fund of Finland (VER)	<b>5%</b>
Ilmarinen Mutual Pension Insurance Company	<b>4%</b>
Apteekkien Eläkekassa	<b>0.6%</b>
Valion Eläkekassa	<b>0.4%</b>
Other investors and private persons, total	<b>5%</b>



## Values:

- Skills and knowledge
- Caring and responsibility
- Partnership and entrepreneurship
- Growth and development

## Customer promise:

- Ease of interaction
- Holistic service offering
- Personalised service

## Business areas:

### Healthcare services

**Private healthcare services**  
Physician services, diagnostics, operations, dental care and working life services

### Public healthcare services

Outsourcing and purchased services, dental care, emergency services and staffing and home care services

### Social services

Residential care services for the elderly and the disabled, mental health rehabilitation, child welfare services under the Familiar brand

HIGHLIGHTS OF 2020

# Highlights of 2020



## Open quality-related information for everyone

Published on our website in January 2020, LaatuKenno is Mehiläinen's open quality monitoring system, which reports on matters particularly related to patient safety, access to treatment, the effectiveness of processes and customer experience. LaatuKenno allows anyone to follow the quality efforts undertaken in Mehiläinen and their effectiveness.

[Learn more >](#)

## Enhanced cooperation with the Tax Administration

In February, Mehiläinen signed an agreement with the Finnish Tax Administration on enhanced customer cooperation. This mode of cooperation is an operating model recommended by the OECD for cooperation between large companies and the tax authority. The model involves continuous dialogue and resolving issues related to the company's taxation in advance.

[Learn more >](#)

## Open data about the coronavirus situation

Mehiläinen produces open data on the coronavirus pandemic online. Real-time data provides a view into testing performed at Mehiläinen and COVID-19 and respiratory tract infection diagnoses. Mehiläinen also publishes data on the speed of testing and delivery of results.

[Learn more >](#)

## Import of protective equipment from abroad

In the spring, Mehiläinen secured the availability of personal protective equipment in Finland. The supply chain built by the company in China enabled protective equipment to be imported to Finland not just for Mehiläinen's own use but also for other private operators and the public sector.

## Supporting the Drug-free Baltic Sea campaign

Mehiläinen supported the Drug-free Baltic Sea campaign. The aim of the campaign is to increase consumers' awareness of the correct way of disposing of medicines at pharmacies and prevent drug residues from ending up in the water systems. The campaign reached more than one million Finns.

# Corporate responsibility at Mehiläinen

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OUR CORPORATE RESPONSIBILITY WORK AND MATERIAL TOPICS

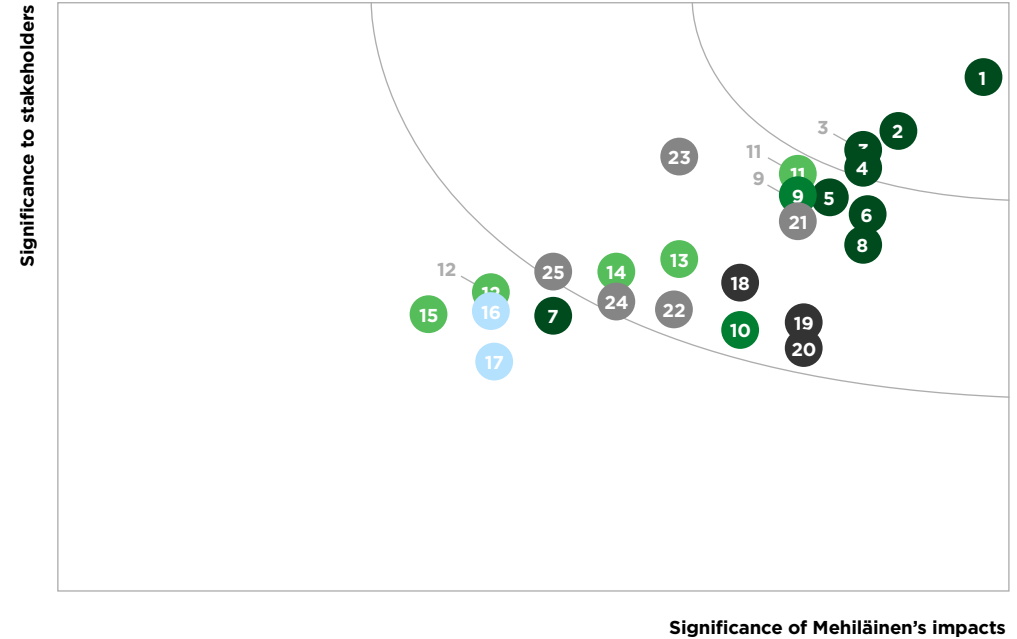
# Mehiläinen's materiality analysis

Mehiläinen conducted its first materiality analysis in the spring of 2020 in collaboration with an external partner. The purpose was to determine the views of key stakeholders on Mehiläinen's corporate responsibility and the topics that Mehiläinen should focus on in its responsibility efforts. The respondents also commented on the risks and opportunities related to Mehiläinen's responsibility. In addition to the electronic survey for stakeholders, the determination of materiality was supported by internal interviews and a comparative study.

The respondents of the electronic survey include private and corporate customers, public sector customers, Mehiläinen employees and representatives of other key stakeholders. This produced a comprehensive and extensive picture of stakeholders' views. The key topics emerging from the materiality analysis were ensuring quality and customer and patient safety and the customer experience. Data protection, privacy and respect for human rights were also highlighted in the responses.

The adjacent matrix portrays the results of the materiality analysis and Mehiläinen's own assessment on its impact on each material topic listed by the stakeholders.

The results of the materiality analysis acted as the basis for building Mehiläinen's corporate responsibility programme and they also drive Mehiläinen's responsibility reporting.



**Quality and customer orientation**

- 1 Customer and patient safety
- 2 Data protection and privacy
- 3 Customer orientation and customer experience
- 4 Effectiveness of treatment
- 5 Access to services and speedy interactions
- 6 Good individual life for residential care home residents
- 7 Promoting the wellbeing of children and families
- 8 Promoting wellbeing at work and work ability

**Financial responsibility**

- 9 Responsible tax policy and tax payment
- 10 Investments in Finland

**Responsibility for personnel and work community**

- 11 Employees' occupational wellbeing and safety
- 12 Fair and equal recruitment practices
- 13 Promotion of equality and diversity, non-discrimination
- 14 Investing in the meaningfulness of work
- 15 Professional development opportunities

**Environmental responsibility**

- 16 Minimising waste and recycling
- 17 Energy efficiency

**Social responsibility**

- 18 Open and active cooperation with stakeholders
- 19 Stable partnership with public-sector social and healthcare services
- 20 Development of Finnish social and healthcare services and the entire field

**Ethical practices and good governance**

- 21 Openness and transparency in business operations
- 22 Promotion of healthy competition
- 23 Respect for human rights
- 24 Responsible marketing
- 25 Responsibility in purchases and choice of partners

OUR CORPORATE RESPONSIBILITY PROGRAMME AND KEY CORPORATE RESPONSIBILITY GOALS

# Mehiläinen's corporate responsibility programme

Mehiläinen's corporate responsibility programme is based on the material themes defined by the stakeholders and the company's strategy and identified opportunities to influence Mehiläinen's operating environment. Mehiläinen's corporate responsibility programme seeks to promote the implementation of responsibility in its business, drive the company to develop its areas of importance, and to measure its progress.

Mehiläinen's responsibility programme revolves around four themes. These themes reflect the issues that Mehiläinen particularly wants to advance and implement in its activities:

- Pioneer in quality treatment and care
- Innovator and agile developer
- Attractive and meaningful workplace
- Sustainable development

The themes of the responsibility programme and the indicators measuring success in them are presented in the table below. The most material UN Sustainable Development Goals for Mehiläinen's activities are also included.

 **Pioneer in quality treatment and care**

Our customers and their families can rely on us to provide individual, safe and effective treatment and care. Our management is knowledge-based, we seek to perform better every day, and we are a pioneer in digital healthcare.

**Goal for 2025:**

We are a pioneer in service availability, safety and effectiveness. Our customer satisfaction rating is the best in the industry across all our operations.



 **Innovator and agile developer**

Our growth is stable, we create jobs in Finland, and export Finnish expertise to the international market. We are a strong partner for both companies and the public sector.

**Goal for 2025:**

We grow profitably and create jobs and wealth in Finland. Our digital solutions provide extensive and more accessible social and health services to Finns. We have made healthcare a new pillar of Finnish export.

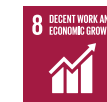


 **Attractive and meaningful workplace**

We invest in the comprehensive wellbeing of our employees and provide them with opportunities to develop and shine in their work. We offer a wide range of career paths across Finland, and our corporate culture encourages success.

**Goal for 2025:**

We are proven to be the most attractive workplace in the social and health services sector, and our employee turnover is the lowest in the industry.



 **Sustainable development**

We operate sustainably, openly and efficiently throughout the value chain.

**Goal for 2025:**

Customers and professionals view us as the most responsible company in the industry. An ethical mode of operation drives all our activities.



SUSTAINABLE DEVELOPMENT GOALS (SDG)

# UN Sustainable Development Goals support our activities

**In connection with preparing the responsibility programme, Mehiläinen wanted to identify the UN Sustainable Development Goals that are the most relevant for its activities. These are the goals on which Mehiläinen's activities have the greatest influence, and the ones it wants to highlight for its business.**

In terms of goals that Mehiläinen can significantly influence, a total of seven were identified. Four of these are considered to be the main goals that Mehiläinen particularly wants to promote through its activities and corporate responsibility programme and on which it has a significant impact. Three other goals were identified as important for supporting the realisation of the main goals. These are: 4 Quality education, 10 Reducing inequalities and 12 Responsible consumption.

The UN Sustainable Development Goals, Agenda 2030 is a set of goals designed to be a blueprint for future international development. It aims to make the world a better place to live for all.



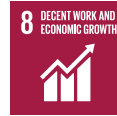
## The most material Sustainable Development Goals for Mehiläinen



### Goal 3: Establish good health and wellbeing for people of all ages

Mehiläinen wants to create better health and wellbeing in Finland. Mehiläinen contributes to the growth of health and wellbeing by investing in the development of quality treatment and care and increasing their effectiveness. Mehiläinen seeks to be transparent in its activities by openly publishing quality and safety-related indicators so that its actions to improve these can also be monitored externally.

Mehiläinen has developed care services and improved the infrastructure of imaging and diagnostics in Finland. Enabling fast access to care and implementing agile practices in increasing coronavirus testing capacity, for example, have streamlined healthcare in Finland. Increasing digital services and the high availability of services are ways to create health and wellbeing for the whole society. In addition to these, Mehiläinen has contributed to supporting public health through various online coaching programmes to promote a healthier lifestyle and by developing the treatment of diabetes and other diseases with high public health relevance in its units through knowledge-based management. Actions to further this goal are reported in more detail later in this report in the section “Pioneer in quality treatment and care”.



### Goal 8: Promote sustainable economic growth for all, full and productive employment and decent work

Mehiläinen impacts the goal by employment, investing, and creating economic growth through tax income. Mehiläinen is one Finland’s largest private employer’s and wants to take care of its employees and the people that it has an indirect impact on through its business operations. Internationalisation and expanding the service selection will increase the need to pay particular attention to the promotion of this goal in the future.

Mehiläinen provides continuous professional training for its physicians and other personnel. Extensive training of supervisors is an important way of increasing wellbeing at work at Mehiläinen. Increasing training and career opportunities support job satisfaction and makes Mehiläinen a more attractive workplace. Mehiläinen wants to pay special attention to recruitment from abroad; induction and training opportunities play a particularly large role in this. Actions to further this goal are reported in more detail later in this report in the sections “Innovator and agile developer” and “Attractive and meaningful workplace”.



### Goal 9: Build a sustainable infrastructure and promote sustainable industry and innovation

Mehiläinen influences the achievement of the goal by making investments in Finland, establishing new care and health-care units and by innovating and further developing Finnish treatment and care. Mehiläinen also exports its innovations globally, in particular through the digital service selection it has developed.

As a significant example of effectiveness, Mehiläinen has improved the Finnish infrastructure for diagnostics and, as the first in the industry, adopted an occupational healthcare operating model that supports work ability and includes an algorithm using artificial intelligence. The objective of the operating model is to prevent reduction of working ability, sickness absences and incapacity for work, thereby lengthening careers. The impact is felt widely in society. Actions to further this goal are reported in more detail later in this report in the section “Innovator and agile developer in the industry”.



### Goal 17: Increasingly support the implementation of sustainable development and global partnerships

Through this goal, Mehiläinen wants to support the achievement of all the other goals, as cooperation and partnerships play a key role in the achievement of all the main goals. Cooperation between the private and public sector is particularly important in social welfare and healthcare to ensure that services are organised in society in the best possible way for customers and patients.

In Finland, Mehiläinen promotes the decision-making power of customers through a customer panel that allows customers around Finland to influence the development of Mehiläinen’s services, activities and customer experience. Mehiläinen wants to further strengthen partnerships with various stakeholders to increase the effectiveness of its activities.



CORPORATE RESPONSIBILITY MANAGEMENT APPROACH

# Mehiläinen's corporate responsibility management approach

	Pioneer in quality treatment and care	Innovator and agile developer	Attractive and meaningful workplace	Sustainable development
<b>Management approach</b>	The management approach aims to ensure the deployment and implementation of quality improvement efforts across the organisation. The focus of all activities is on the customer and the high quality and effectiveness of treatment and care.	The management approach aims to ensure strategy-aligned operations, renewal, development and learning in our business and organisation and, consequently, stable and profitable growth. Mehiläinen's activities are monitored through agreed indicators on a weekly, monthly and annual basis.	The management approach aims to ensure high-quality HR administration and management and good employee experience throughout the organisation. Smooth day-to-day operations and the opportunity to perform well and develop in one's work are key to good employee experience.	The management approach seeks to ensure an ethical and sustainable mode of operation in all of the Group's activities, especially in terms of environmental concerns, data security and protection, and human rights.
<b>Policies</b>	Code of Conduct and Mehiläinen's quality policy.	Quality police, tax policy and corporate responsibility policy.	Personnel policy, Code of Conduct and corporate responsibility policy.	Corporate responsibility policy (incl. environment policy), Code of Conduct, Data protection and data security policy, Procurement policy and Communications policy.
<b>Goals</b>	We are a pioneer in service availability, safety and effectiveness. Our customer satisfaction rating is the best in the industry in all our operations.	We grow profitably and create jobs and wealth in Finland. Our digital solutions provide extensive and more accessible social and health services to Finns. We have made healthcare into a new pillar of Finnish export.	We are proven to be the most attractive workplace in the social and health services sector, and our employee turnover is the lowest in the industry.	Customers and professionals view us as the most responsible operator in the industry. An ethical mode of operation drives all our activities.
<b>Responsibilities and resources</b>	"The overall responsibility for quality lies with the CEO. Group quality management organisation: Chief Medical Office, Quality Manager and quality team including representatives from the business areas. In addition, persons responsible for quality management have been designated for different business areas and support functions. Quality management is based on comprehensive self-monitoring in all activities."	The overall responsibility for business operations and the implementation of the Group strategy lie with the CEO. The directors of the businesses and support functions are responsible for their respective operations. The CFO leads the tax policy and responsible financial management.	HR administration is led by the HR Director in accordance with the strategic guidelines and decisions of the company's management team. HR administration comprises the HR management team and four teams that work in close cooperation with the business area managers and supervisors as well as support functions in order to ensure high-quality service and excellent employee experience.	Overall responsibility lies with the CEO. The Quality Manager is responsible for the environmental system, the Procurement Director is responsible for purchasing, the IT Director is responsible for data security, and the Data Protection Officer is responsible for data protection.



	Pioneer in quality treatment and care	Innovator and agile developer	Attractive and meaningful workplace	Sustainable development
<b>Feedback mechanisms</b>	<p>We respond to feedback received via the customer feedback channel and other channels and identify areas for development. An alert channel for reporting irregularities and problems. The feedback from the alert channel is discussed in the risk management team. The internal feedback channel is meant for development proposals and feedback. The HaiPro channel is used for reporting hazardous situations. An anonymous whistleblowing channel is also available.</p>	<p>The Group's feedback channels and customer feedback channels. Customer panel and doctors' panel for providing input for the innovation and assessment of new services.</p>	<p>Annual personnel survey, including assessment of management and supervisory work; monthly personnel pulse. Induction and exit surveys. Staffing Services' dedicated feedback channels. Anonymous whistleblowing feedback channel.</p>	<p>An alert channel for reporting irregularities and problems. The feedback from the alert channel is discussed in the risk management team. The internal feedback channel is meant for development proposals and feedback. The HaiPro channel is used for reporting hazardous situations. An anonymous whistleblowing channel is also available.</p>
<b>Achievements in 2020</b>	<p>Publication of open quality data through LaatuKenno on the Mehiläinen website. The work of the quality team was developed ambitiously to increasingly better meet the Group's objectives.</p>	<p>Fast development activities and innovations to resolve the coronavirus crisis. Agile and quick increasing and scaling of digital services. Launch of international business operations on several fronts.</p>	<p>The results of the personnel survey developed positively despite the challenging year. Positive development of self-monitoring results. Increase of full-time personnel in relation to part-time personnel. Adoption of a new HR system. Reduction in personnel turnover.</p>	<p>Monitoring and management of properties was strengthened with a new organisation. Data security was reinforced through a number of measures and hiring a data security manager. Mehiläinen commissioned its first external responsibility assessment.</p>

STAKEHOLDER ENGAGEMENT

# Mehiläinen’s stakeholders from the perspective of corporate responsibility

**Mehiläinen is a significant social actor, whose activities have a wide impact on society. We work in close cooperation with our stakeholders and, through our services, interact with over one million Finns every year. We research our stakeholders’ views and wishes regularly and take their expectations into account in developing our activities. Open and active dialogue is a key foundation of our work with stakeholders.**

	Stakeholder engagement and interaction channels	Stakeholders’ key expectations in 2020	Our response to stakeholder expectations
<b>Customers</b>	Daily service interactions, customer service channels and application, customer satisfaction surveys, surveys of residents in social services, communication with families, social media, meetings, service messages, newsletters and marketing communication.	High-quality and safe services quickly and effortlessly. Responsible management of the coronavirus situation and status updates. Availability of digital services during the pandemic.	We invested strongly in providing our customers with sufficient information and high-quality, effective and safe services as allowed by the pandemic situation. We rapidly expanded and increased our digital services to respond to growing demand. We conducted several customer surveys and questionnaires, including a materiality analysis for corporate responsibility with various customer groups.
<b>Personnel</b>	Intranet, Yammer, Workday, personal interaction, personnel bulletins, monthly management reviews, business area info sessions, Group-wide personnel info session, personnel survey, performance reviews, training, personnel events and seminars.	Good management, development opportunities, open dialogue, good work environment, equality and responsible pay. Smooth and safe working conditions amid the pandemic. Certainty about the future and a stable work community during the exceptional time.	We continued the MEE training programme for all supervisors, invested in a new HR system to streamline work and day-to-day operations, developed the activities of staffing services to better respond to the personnel’s service needs, and increased information sharing through remote info sessions open to all. We continued and expanded the rewarding of employees in the exceptional year.
<b>Decision-makers and authorities</b>	Meetings, dialogue through electronic channels, official interactions, reporting, statements and production of information	Investing in quality and effectiveness, safety, ensuring business continuity, implementing regulatory requirements.	We engaged in active dialogue with decision-makers and the regulatory authorities, actively communicated our actions, developed our quality system and self-monitoring.
<b>Owners and financiers</b>	Open and active information production, status updates, audits and surveys, annual reporting, bilateral meetings and discussions.	Strategy-based implementation of growth and business plan, securing future operations in the exceptional circumstances, dynamically adjusting activities to the changing situation, active information sharing and building trust.	We carried out the necessary adjustment measures promptly and at the right time, we found new business solutions, developed our activities to respond to the changing demand and engaged in active and open dialogue.
<b>Labour market organisations</b>	Open and active dialogue, participation in the bodies and activities of the employer organisation, negotiations through organisations, bilateral meeting and cooperation in processes.	Active operation and presence as a member of the Finnish Association of Private Care Providers, open dialogue with employee organisations.	We participated proactively in various bodies of the Finnish Association of Private Care Providers and helped develop the Association’s activities, we were an active player in the collective labour agreement negotiations, and engaged in regular dialogue with employee organisations.
<b>Civil society</b>	Open and active dialogue, cooperation between units and functions in the regions, customer-specific meetings and dialogue.	Cooperation and investment in locally important matters.	We engaged in active cooperation with various operators and organisations, and supported and sponsored local sports clubs and associations.
<b>Media</b>	Open and active communication, production of information, making experts available for the media, interviews, meetings and events providing background information.	Prompt and smooth service for information requests and interviews, interesting news, access to information.	We produced and published a wide range of open information, communicated actively about our activities, and provided smooth and agile services for the media in all circumstances.



# Corporate responsibility themes

- 17 Pioneer in quality treatment and care
- 21 Innovator and agile developer
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- 30 Sustainable development



CORPORATE RESPONSIBILITY THEMES

# Pioneer in quality treatment and care

**Mehiläinen's quality improvement efforts and interaction with customers are firmly guided by our values of knowledge and skills, and responsibility and caring. The customer is at the core of all our work. The best customer experience in the sector is created through expertise and individual interaction, whether at appointments in the Digital Clinic or in long-term residence at our care homes. The core of our quality is our promise that our customers and their families can rely on us to provide individual, safe and effective treatment and care. We apply knowledge-based management, seek to perform better every day, and are a pioneer in digital healthcare.**

## **Knowledge-based management and continuous development are the cornerstones of quality improvement work**

We manage quality improvement work within the Group in a quality team which maintains a comprehensive set of quality metrics and continuously develops new ways to manage and strengthen quality. Under the lead of the Chief Medical Officer, the quality team works to ensure that our quality work is standardised, comprehensive and as open and transparent as possible.

In 2020, we published the [LaatuKenno](#) system on our website, accessible to everyone. LaatuKenno is Mehiläinen's open quality monitoring system, where we report on matters particularly related to patient safety, access to treatment, the effectiveness of processes and customer experience. LaatuKenno allows anyone to follow the work performed in Mehiläinen and its effectiveness through constantly updated indicators. The aim is to openly show what quality and effectiveness mean at Mehiläinen and how they are measured. At the end of 2020, LaatuKenno included over 25 indicators that were



selected to comprehensively cover different aspects of quality at Mehiläinen. This report provides information on some of LaatuKenno's indicators. Further information on these indicators can be found in LaatuKenno, where the trends in the previous years can also be viewed.

In 2020, we also reorganised quality improvement efforts in social services, where the quality organisation was renewed to develop and assure the quality of care services. The organisation was divided into three service lines: the elderly, people undergoing mental health rehabilitation and the disabled, allowing a stronger focus on the individual needs of each resident group. We also appointed a new Quality and Development Director, who will lead the further development of the quality index for care services developed at Mehiläinen and the implementation of the quality culture in units.

### Record-high customer satisfaction in the challenging circumstances of the coronavirus year

Customer experiences with Mehiläinen have been measured since 2014 with the internationally applied Net Promoter Score (NPS). The NPS index may be anything between -100 and +100. The higher the index is, the more customers say that they can recommend Mehiläinen. An NPS index of more than 50 is considered to be very good.

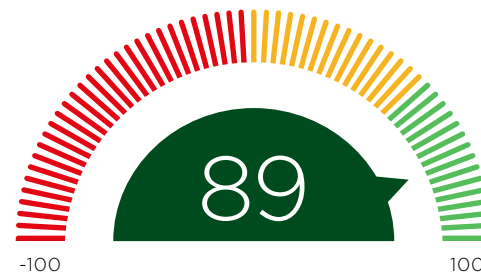
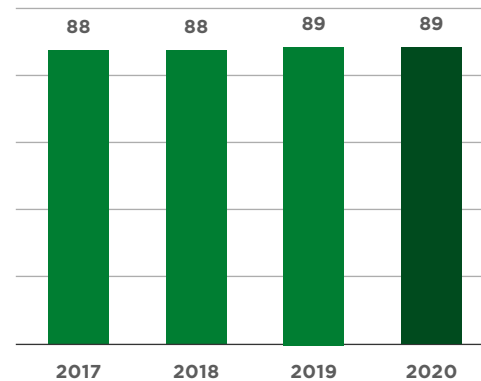
In 2020, Mehiläinen professionals succeeded in providing a record-breaking quality of service for our customers despite the challenges posed by the coronavirus pandemic. Over the year, we measured the best monthly results during our period of operation in both private medical clinics and public services.

The total NPS for the year was 89 in private health services and 74 in public health services.

In social services housing units, customer experience is measured by a quality index developed by Mehiläinen. The quality index consists of five quality areas, each of which have their individual goals and metrics. Data is gathered through qualitative reports and surveys, resulting in a quality index for each home, which is monitored regularly. The quality index is continuously being developed further. In 2020, the quality index of care services for the elderly was 76.8.

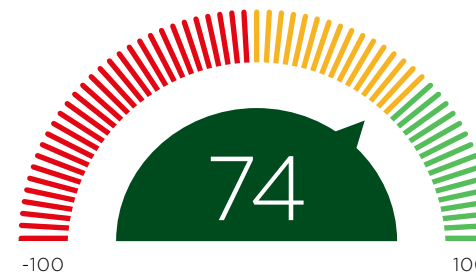
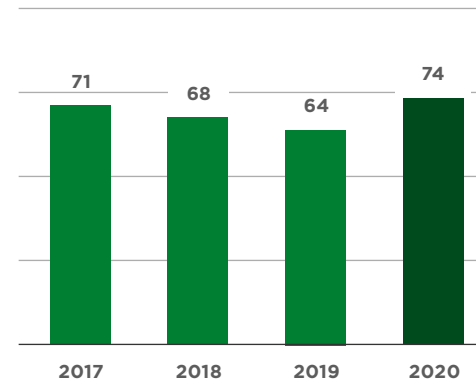
**The total score of private healthcare service NPS indice**

Scale -100-100



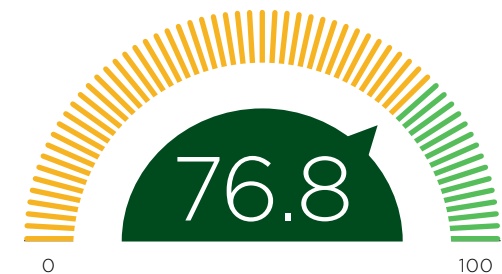
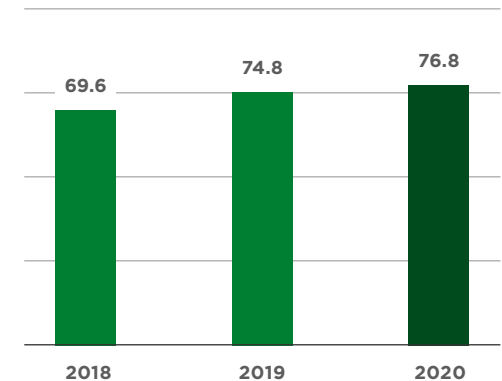
**The total score of public healthcare service NPS indice**

Scale -100-100



**The total score of quality index for care services for the elderly**

Scale 0-100





## Access to services was assured even amid the pandemic

Timely access to services is a basic element of quality healthcare, particularly so during exceptional circumstances. Due to the coronavirus pandemic, Mehiläinen made great efforts in 2020 to ensure access to care especially in the area of digital services. The number of Digital Clinic customers increased rapidly during the spring, and the service had to quickly be scaled to meet the growing demand. We also created an automated symptom questionnaire within the service for customers experiencing coronavirus symptoms. Through decisive action, we were able to maintain a good level of access to services throughout the year, with an average response time of 11 minutes in the Digital Clinic in 2020.

In public healthcare, the pandemic caused congestion in access to services across Finland, and Mehiläinen took

The number of Digital Clinic customers increased rapidly during the spring, and the service had to quickly be scaled to meet the growing demand.

actions to ensure access to treatment in its own public health services. Access to care in public health centres is generally measured in Finland using the T3 indicator, which indicates the third available non-urgent appointment time. At Mehiläinen's public health centres, the T3 time in 2020 was 5.6 days on average. For the tendering for the Päijät-Häme Joint Municipal Authority of Wellbeing, Mehiläinen also developed a new teamwork model, which aims to provide access to services in the regional health centres without queues.

## More effective care through knowledge-based management

Effective treatment is the key indicator of smooth and efficient healthcare and is monitored at Mehiläinen in a variety of ways. For example, we monitor the control of various diseases, the quality and outcomes of orthopaedic surgeries and the effectiveness of treatment. In 2020, our focus was particularly on the quality of treatment of diseases of public health relevance.

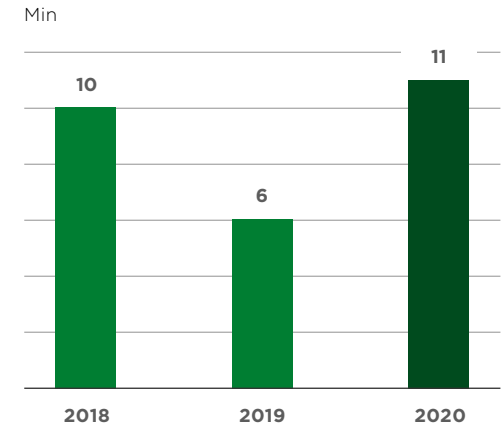
During the year, we published digital coaching programmes to promote public health in the Digital Clinic in order to support our customers in a healthier lifestyle. At the health centre in Tesoma, Tampere, operated under the alliance model, we developed a heavy consumer model to respond to the needs of

people who use a great deal of services. The customisation of services promotes individual health and wellbeing and improves the capacity and cost-effectiveness of the system.

As part of LaatuKenno, we measure the control of diseases prevalent in Finland, diabetes and cardiovascular diseases. Control of these diseases is a particularly important indicator as these diseases are common in Finland and their treatment has a significant impact on public health.

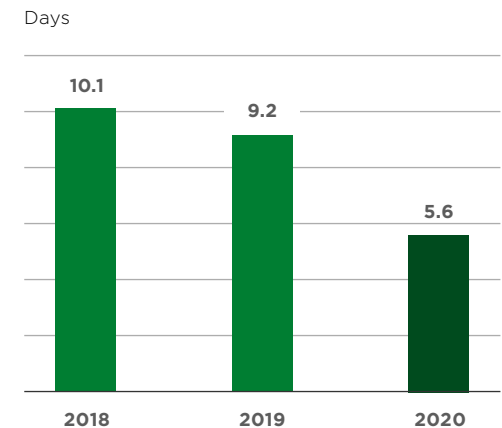
We have compared the results to the ambitious target levels of the Current Care Guidelines recommendations, but attaining these will still require work. The effectiveness of the treatment of cardiovascular diseases is measured through LDL cholesterol levels as the average of a three-year monitoring period. According to the Current Care Guidelines, the target level for LDL cholesterol is < 1.8 mmol, while the average level of Mehiläinen's patients was 2.27 mmol in 2020. For diabetes, monitoring involves the average LDL cholesterol level and long-term assessment of blood glucose during a three-year monitoring period. According to the Current Care Guidelines, the target level for LDL cholesterol is < 2.5 mmol/l and the target level for long-term blood glucose is < 53 mmol/mol. The averages of Mehiläinen's patients are 2.59 mmol/l and 53.6 mmol/mol.

## Average response time of Digital Clinic



\* Visits to the Digital Clinic almost quadrupled during the year due to the coronavirus pandemic, which occasionally caused service congestion and increased the response time during peak hours.

## Access to care in Mehiläinen's public health centres, T3 time

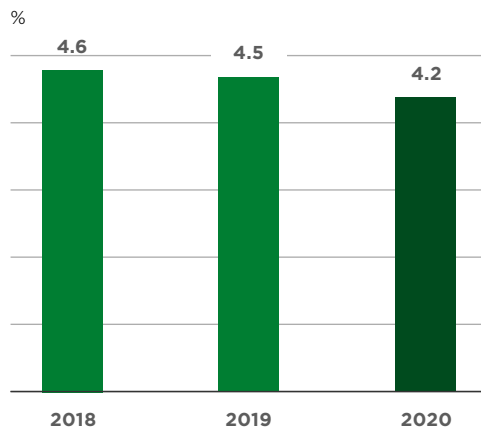


In oral health, we measure the effectiveness of treatment through the permanence of dental fillings, as the conditions for the durability of filling materials are challenging. We measure the percentage of fillings that have stayed in the mouth for more than two years without requiring repair. A high figure indicates successful and durable fillings, whereas a low figure indicates weaker performance. In 2020, the percentage at Mehiläinen was 97.19 percent.

### Patient safety is the basis for all treatment

Patient safety is a critical aspect of quality treatment, and we monitor and develop this area continuously. In 2020,

**Percentage of appointments at Mehiläinen at which CNS drugs were prescribed**



we further developed the measurement of safety by introducing new indicators in LaatuKenno.

A key monitored indicator is the amount of central nervous system (CNS) agents, such as sleeping pills and opioids, prescribed by physicians operating at Mehiläinen in proportion to appointments at Mehiläinen. In 2020, the prescription rate of opioids ranged from just under to just over two percent, while the rate of sleeping pills and tranquillisers was around one percent. The average prescription rate of central nervous system (CNS) agents for the year was 4.2 percent.

The indicator for the responsible use of antibiotics is the monthly rate of certain orally taken antibiotics prescribed at

Patient safety is a critical aspect of quality treatment, and we monitor and develop this area continuously. In 2020, we further developed the measurement of safety by introducing new indicators in LaatuKenno.

physician appointments for unspecified acute upper respiratory infections (visit diagnosis J06.9). The appointment is not counted if the secondary diagnosis specified any other respiratory disease or if a diagnosis of asthma or chronic obstructive pulmonary disease had ever previously been recorded for the patient at Mehiläinen. In 2020, the proportion of such appointments remained under ten percent per month and the average for the year was 3.3 percent. We also monitor the proportion of appointments at which cough medication was prescribed to children under the age of two. In 2020, the average monthly proportion for the year was 0.22 percent.

Safety is also monitored in Finland through patient injuries. The Patient Insurance Centre compiles annual Finland-wide statistics on notices of injuries filed by patients. At Mehiläinen, we monitor patient injuries in both private and public services. According to Patient Insurance Centre there were 382 patient injuries acknowledged as such that occurred in Mehiläinen in 2020. The figures do not reflect the year of occurrence of the patient injury but the year of resolution, as the decisions take time and do not generally apply to appointments in the same year.

The patient safety policy at Mehiläinen hospitals includes monitoring of the surgical wound infections of surgery patients. A national hygiene nurse mon-

itors the infections and reports on them regularly. Infections are entered in a joint register. Infections related to treatment are monitored in cooperation with public-sector hygiene nurses. In order to ensure safety, checklists are used in surgeries at Mehiläinen to help improve patient safety. The use of such lists is recommended by the Finnish Institute for Health and Welfare and the National Supervisory Authority for Welfare and Health (Valvira).

In care services, we monitor safety as an area of the quality index. The safety index (0-100) of Mehiläinen Care Services consists of safety assessments by residents, employees and authorities. The assessed safety aspects include fire and rescue safety, food safety and medical and data protection safety. The safety index of care services is assessed monthly. In 2020, the range of variation in services for the elderly was 92.3-95.9 and the average for the year 94.1. The range of variation in mental health services and services for people with disabilities was 90.9-93.4 and the average for the year 92.5.

CORPORATE RESPONSIBILITY THEMES

# Innovator and agile developer

**Our twin values of growth and development, as well as partnership and entrepreneurship, challenge us to constantly improve to meet the needs of our customers. It is important for us that our growth is stable, we create jobs in Finland, and also export Finnish expertise to the international market. We are a strong partner for both companies and the public sector in Finland, and we continuously invest in developing newsocial and health service innovations and operating models.**

## Solutions for managing the coronavirus pandemic

In 2020, the coronavirus pandemic challenged all of society, particularly the social and health service system. Mehiläinen was responsible for outpatient services for nearly one million Finns, the occupational healthcare services of 20,000 companies, thousands of residents in care homes and housing service units, and the wellbeing of over 20,000 employees. In Länsi-Pohja, Mehiläinen was also responsible for hospital and intensive care of the seriously ill.

At the very start of the pandemic, Mehiläinen organised its operations into a model that enabled an up-to-date view of the situation and smooth and prompt decision-making. Decisions regarding the safety of care homes, for example, were made independently even before official guidelines were available. The capacity of digital services were quickly scaled to respond to growing demand, and a separate symptom assessment was created in the Digital Clinic for diagnosing coronavirus symptoms. A test network employing a drive-in model was quickly

set up around Finland to provide testing for both Mehiläinen’s own customers and personnel and to ease bottlenecks in public sector testing. In 2020, Mehiläinen performed on average ten percent of all coronavirus testing in Finland.

During the spring, Mehiläinen also built an international network to ensure the availability of personal protective equipment. The necessary equipment was delivered via these purchasing channels for both Mehiläinen and other public and private operators. In the summer, Mehiläinen responded to the shortage in laboratory capacity by creating an innovative cooperation model and airlift with a South Korean laboratory together with major Finnish companies.

### Digital leap in the coronavirus year

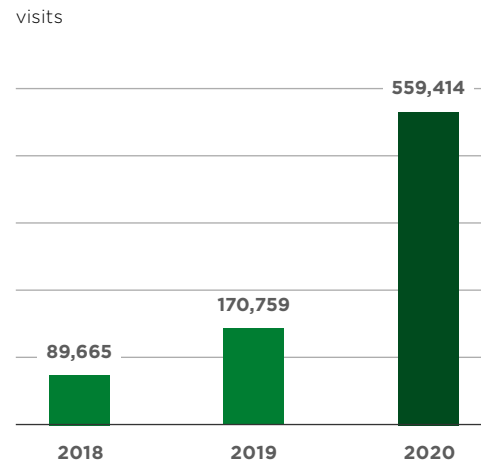
The development and scaling of digital services played a key role in Mehiläinen’s activities in 2020. After the outbreak of the coronavirus pandemic, demand for digital services increased in a short period of time to a record level, and services were ambitiously developed further during the year. The digital service development team was strengthened during the year, and by the end of 2020, the team already included over 100 professionals to respond to the growing need for digital services.

The number of registered users in the OmaMehiläinen service exceeded one

million in 2020, reaching 1,148,000 by the end of the year. The number of appointments at the Digital Clinic increased by 228 percent, with a total of 560,000 visits during the year. The Digital Clinic is also used for public healthcare services in several municipalities, where the number of appointments was 17,700, or 3.2 percent of all appointments.

During the year, digital service also played a key role in ensuring occupational healthcare services. At the start of the coronavirus crisis, the Digital Clinic was deployed for all occupational healthcare customers to ensure the continuity of services during the exceptional spring. Compass tools to support occupational wellbeing and coping at work have been

**Total number of appointments at the Digital Clinic**





used by our customer companies for years. In 2020, they had been adopted by 3.5 percent (700 companies) of Mehiläinen's occupational healthcare customers and 173,000 employees in these companies or organisations.

In addition to responding to the coronavirus crisis, a number of other projects to advance Mehiläinen's digital development were carried out during the year. Customers were provided with the option of connecting their own wellbeing devices and the wellbeing data collected by them to OmaMehiläinen. A free video library was activated for all OmaMehiläinen users to support their wellbeing in cooperation with LifeClass.

The use of electronic A certificates (i.e. sick leave certificates), increased significantly during the year. To support future digital development, 5G technology was deployed at several Mehiläinen clinics.

### Added value for public sector services through new operating models

Mehiläinen acts as a partner for the public sector, constantly developing new operating models and solutions to improve public social welfare and healthcare services in Finland. In 2020, this collaboration was again carried out in several different projects and as part of our everyday activities.

For tendering for basic healthcare in the Päijät-Häme Joint Municipal Au-

thority of Wellbeing, Mehiläinen built a new kind of multidisciplinary teamwork model supported by digital services. This will help resolve the issues related to the availability and quality of healthcare in the Päijät-Häme region through a joint venture established by Mehiläinen and the joint municipal authority.

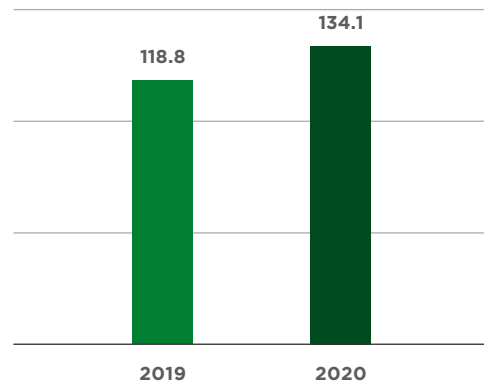
In the staffing services provided by Mehiläinen, the process was digitalised with the OmaTyö application, which streamlined work and clearly also improved the employees' experience in their work. The Familiar child welfare services adopted a digital coaching programme developed for after-care, providing support for young people who have transitioned from child welfare services to adulthood. In Tampere, we piloted a functional capacity indicator for foster care in child welfare services in cooperation with the city and partners. The indicator was developed by Familiar to support service development.

### Stable growth and profitability create jobs and wealth

Mehiläinen's basic task is to create more health and wellbeing in Finland to benefit both our customers and the wider society. By serving our customers as effectively as possible, we seek profitable growth, which in turn also creates value for our owners. Mehiläinen's owners include a number of major Finnish and

### Underlying EBITA\*

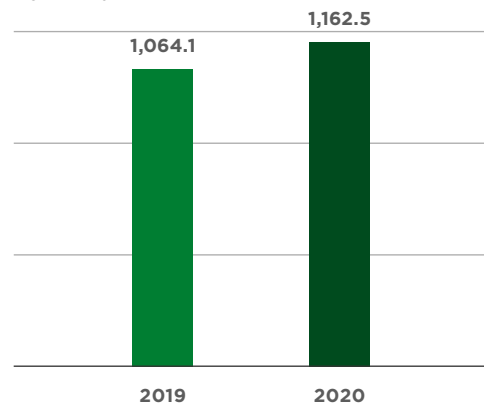
EUR million



\* Underlying EBITDA is operating profit before depreciation, amortization, impairment losses and items affecting comparability, and underlying EBITA is operating profit before depreciation and amortisation arisen in business combinations, impairment losses and items affecting comparability. EBITDA % and EBITA % have been calculated based on underlying EBITDA and underlying EBITA.

### Revenue

EUR million



international institutional investors, such as pension insurance companies. Hence, Mehiläinen's growth also contributes to funding pension security in Finland.

Mehiläinen's revenue in 2020 was EUR 1,162.5 million and operating profit before amortization of intangible assets and impairment (underlying EBITA) EUR 134.1 million. Employee benefit expenses amounted to EUR 521.8 million and other operating expenses were EUR 110.1 million. Interest on loans and other finance expenses totalled EUR 77.9 million. Result for the year was EUR 0.2 million. Cash flow based fees paid to private practitioners were EUR 198.8 million and taxes paid EUR 13.9 million. Mehiläinen did not pay out dividends to its shareholders.

Mehiläinen is also one of the major employers in Finland. We employ 22,300 social and healthcare professionals and private practitioners. In 2020, we hired 2,800 new professionals. Mehiläinen's investments in 2020 amounted to EUR 52.8 million. We have also spent hundreds of millions of euros on new care and health premises, indirectly providing work amounting to thousands of person-years in the construction sector.

Mehiläinen also aims to be a pioneer and forerunner in its industry, thereby encouraging all providers of public and private healthcare and care services to develop a customer-driven approach and improve the effectiveness and

cost-efficiency of care. Fair and open competition between service providers benefits all of Finnish society.

Mehiläinen's aim is to make the export of healthcare services, particularly in digital services, its future growth engine and a new export for Finland. In 2020, Mehiläinen launched BeeHealthy, a separate company focusing on the export of international services, which will seek to implement this goal. At the end of 2020, Mehiläinen had three international service contracts and several letters of intent. We also expanded as a service provider to Sweden through an acquisition at the end of the year.

### Responsible tax policy and tax footprint at the core of corporate citizenship

Mehiläinen's tax citizenship is guided by Mehiläinen's [tax policy](#), which is based on the company's strategy and values. Mehiläinen's aim is to be a good taxpayer and a forerunner in the industry as a promoter of an open tax policy. Mehiläinen's tax policy is also published on Mehiläinen's website.

In spring 2020, Mehiläinen intensified cooperation with the authorities and signed an agreement with the Finnish Tax Administration on enhanced customer cooperation, which means that the company maintains continuous contact with the Tax Administration. This mode of cooperation is an operating model

recommended by the OECD for cooperation between large companies and the tax authority. In this cooperation, the parties have a shared interest in managing tax-related issues efficiently and in real time, engage in continuous dialogue and resolve issues related to the company's taxation in advance. Less than 30 Finnish companies have been accepted for this cooperation model, which requires, among others, an open tax structure towards the Tax Administration.

### Main principles of Mehiläinen's tax policy

Mehiläinen is committed to paying taxes and tax-like payments based on current legislation and to publish its tax information in accordance with legislation and the company's own transparency goals. Mehiläinen requires all employees who work in Mehiläinen's businesses, particularly with tax issues, to comply with the tax policy. Mehiläinen also requires compliance with the tax policy from external advisers when Mehiläinen's tax-related reporting and other tasks have been outsourced. Mehiläinen does not, through its own operations, support tax planning by its entrepreneur physicians or other partners which deviates from industry practices and commonly accepted operating models.

Mehiläinen's tax policy is guided by the following principles:

- The company pays its taxes in Finland, where it conducts business.



- There are always business justifications for tax-related matters.
- The company's taxation is transparent and the company regularly publishes up-to-date information on its taxes.
- Taxation does not drive the company's activities or the establishment of a location outside of Finland in a country where it does not engage in business.

The company's financial administration is responsible for updates to the tax policy. The tax policy is reviewed every year and any changes are approved by the Board of Directors. The Group's tax position is monitored regularly and reported by the Financial Director to the Audit Committee.

Process descriptions have been drawn up of Mehiläinen's main tax processes, describing the tasks that seek to ensure the accuracy of tax reporting and the appropriateness of internal practices. Tax process-related controls are assessed regularly. If there are changes in the business that affect taxation, these must be reported to the accountant of the relevant company. In significant issues, the impact of the changes on tax reporting will be evaluated together with the Group Financial Manager/Financial Director. External tax consultants may be used as needed.

The parent company of the Group, Finnish Healthcare Services Sarl, reports the actual country-by-country reporting

to the tax authority of its own domicile (Luxembourg) within 12 months from the end of the financial period. The information of Mehiläinen Group, itemised by country, will be provided for this report annually. The Finnish Mehiläinen companies submit a Notification of Reporting Obligation regarding country-by-country reporting to the Finnish Tax Administration each year.

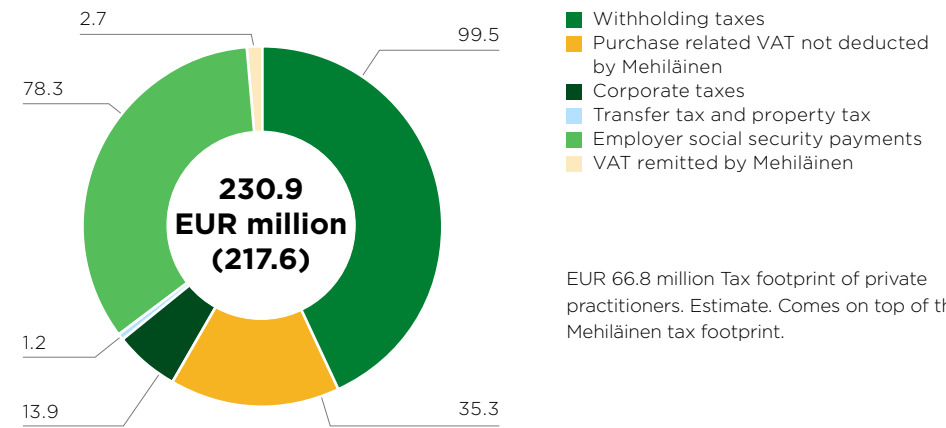
### Mehiläinen's tax footprint

The tax footprint indicates the impact of Mehiläinen on the surrounding Finnish society as a payer of taxes and tax-like payments. Mehiläinen's tax footprint report is published annually. Regular tax reporting supports the transparency of taxation.

Mehiläinen's full tax footprint amounted to EUR 230.9 million, consisting of EUR 13.9 million in corporate taxes paid by the company, as well as non-deductible VAT of EUR 35.3 million paid on purchases and investments, EUR 2.7 million in VAT paid on sales, EUR 78.3 million in employer's contributions, EUR 99.5 million in taxes withheld from salaries, and EUR 1.2 million in transfer and property taxes. The private practitioners working at Mehiläinen also pay taxes on the remunerations they receive from Mehiläinen, amounting to an estimated EUR 66.8 million.

### Tax footprint

EUR million



EUR 66.8 million Tax footprint of private practitioners. Estimate. Comes on top of the Mehiläinen tax footprint.

Mehiläinen's aim is to be a good taxpayer and a forerunner in the industry as a promoter of an open tax policy. Mehiläinen's tax policy is also published on Mehiläinen's website.



CORPORATE RESPONSIBILITY THEMES

# Attractive and meaningful workplace

**Mehiläinen’s professionals are essential to our success. We invest in the comprehensive wellbeing of our employees and provide them with opportunities to develop and shine in their work. We offer a wide range of career paths across Finland, and our corporate culture encourages success.**

In 2020, we worked hard to make Mehiläinen an even better workplace. The exceptional year presented its own challenges for this work, but we achieved great progress nevertheless. The total index for Mehiläinen’s employee satisfaction rose to 3.9 (on a scale from 1 to 5). In 2020, Mehiläinen also became the fifth largest private employer in Finland and was fourth among companies that had increased jobs the most. The growing number of professionals challenges us to develop even more ambitiously in the future.

### Professionals at Mehiläinen

In 2020, Mehiläinen employed a total of 18,000 professionals and 4,300 private

In 2020, we worked hard to make Mehiläinen an even better workplace.

practitioners in Finland. The number of full-time and permanent employees increased from the previous year. The largest personnel groups are practical nurses 30 percent, nurses 13 percent and physicians 22 percent. Fixed-term employees account for 19 percent of our personnel (2019: 29 %). Our hired employees in Finland are covered by statutory pension security and parental leave

benefits. We comply with universally applicable collective agreements and are an organised employer as a member of the Finnish Association of Private Care Providers. Our hired professionals are covered by statutory occupational accident and occupational disease insurance. We provide our hired employees with occupational healthcare services and statutory pension benefits.

### Knowledge-based management is key to good HR management

During the year, we continued to enhance our understanding of what makes Mehiläinen a good employer. We have extensively studied and analysed our operations and functions. We continued to develop the data structure and data volumes in HR, enabling knowledge-based management in personnel matters and improved identification of key challenges.

We also conducted targeted surveys for the personnel during the year. In the spring, we carried out an extensive remote work survey for the professionals who started working remotely due to the coronavirus pandemic. In early summer, we conducted an internal communications survey, which provided us with valuable information on the flow of information through the organisation. The Personnel Pulse survey is carried out every month to maintain an up-to-date view of the situation, and an extensive personnel

survey is conducted in the second half of the year. In 2020, over 6,000 Mehiläinen employees responded to the personnel survey, amounting to a response rate of more than 60 for the first time.

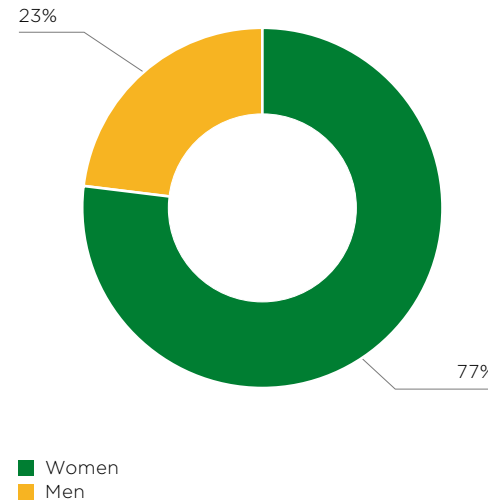
In addition, each employee should have a performance review with their supervisor during the year. In 2020, 59 percent of the respondents reported having had a performance review in the past year. We will analyse the reasons for the lower-than-targeted rate in the coming year. The deployment of the new HR system will also provide data on the reviews.

We additionally obtained a great deal of information for developing leadership and our HR policy through interviews targeted at personnel groups where turnover has been high and commitment to work lower than elsewhere in the organisation. We have used both extensive data analysis and personal discussions with Mehiläinen professionals.

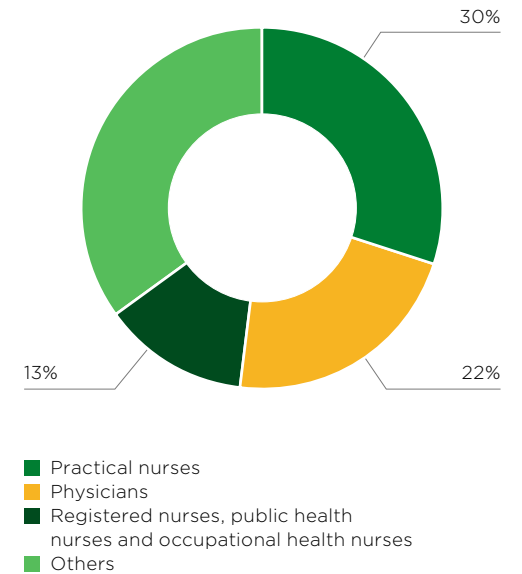
### Investments in good governance and management

Mehiläinen has recognised the development of supervisory work and the importance of management culture as key enablers for success. In 2020, we continued the MEE coaching programme, developed in cooperation with Aalto EE, which is aimed at all supervisors in Mehiläinen. A total of 120 Mehiläinen supervisors and managers participated in the programme, now in its second year. We have invest-

Personnel by sex

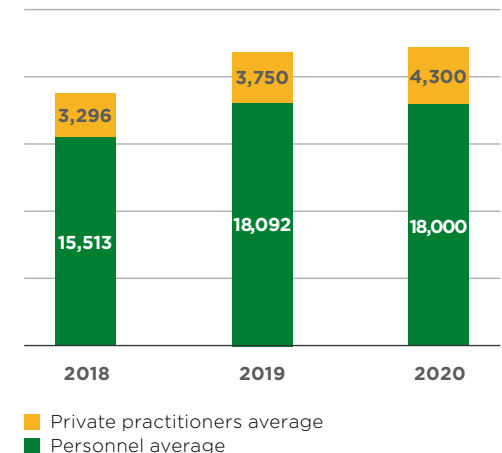


The largest groups of professionals



Mehiläinen has recognised the development of supervisory work and the importance of management culture as key enablers for success.

Number of personnel



ed some EUR two million in leadership coaching in the last two years.

We could see the results of the coaching programme and other measures in this year's personnel survey: employees increasingly consider that supervisors have given them more positive and encouraging feedback than before and improved communication in matters relevant to the unit. The professionals at Mehiläinen also felt that they have been enabled to affect the customer experience in their work.

The HR system is an important tool for ensuring smooth and successful day-to-day operations in an organisation with a professional staff exceeding 20,000. In 2020, Mehiläinen made a major financial investment in personnel through the planning and implementation of the new HR system Workday. Mehiläinen's goal in introducing this system, one of the best in its field, is to promote the technological development of internal and HR processes. The deployment project was carried out in cooperation with an extensive team of Mehiläinen's professionals.

## A workplace for continuous learning and development

We offer a wide range of opportunities for learning and development for our employees. We arranged a total of 7,600 days of training at Mehiläinen. Our Oma verkko learning environment already

includes more than 500 courses ranging from induction to further training, and its content is continuously being developed. In 2020, we provided training for nearly 200 specialising doctors in general practice, occupational healthcare and several somatic specialties.

We developed our cooperation with educational institutions in a variety of ways during the year. In contrast to earlier project-specific cooperation, we have moved towards strategic partnerships and activities that benefit both parties. Our aim was to develop our cooperation with educational institutions towards partnerships and to employ a range of students directly from the schools. The diversity of the work community is important to us, and in 2020, our cooperation focus was on older employees and people embarking on a new career. As a company, we participated in the Konkari survey, which aims to promote the employment of elderly employees.

As part of our preparation for the increase in the nurse staffing ratio and personnel availability, we established a company for international nurse recruitment in 2020. Mehiläinen's subsidiary HSS has developed an innovative recruitment and training model for international recruitment. Staff training and learning are implemented through a learning environment created by HSS, with Mehiläinen's partner educational institution Sataedu responsible for verifying profes-

sional qualifications. The first students began language studies in 2020.

In 2020, we continued to develop our induction process to make the start of working at Mehiläinen as smooth as possible. The next induction path will be digitalised as part of the new HR system.

## Our goal is to create professionals who enjoy and are committed to their work

During the year, we made major investments in reducing personnel turnover through a variety of measures, particularly in selected focus groups. We conducted extensive analyses on the factors affecting personnel turnover and commitment in care services to identify the appropriate corrective measures. The greatest impact was achieved among nurses working in care services, with a ten percent reduction in turnover. The turnover of the largest personnel groups in Mehiläinen in 2020 was 20.4 percent among practical nurses, 18.1 percent among nurses, and 4.6 percent among doctors.

The number of full-time Mehiläinen employees increased in 2020. As the number of hourly-based employees fell, the number of full-time equivalents (FTE) rose by more than a thousand.

Over the course of the year, we developed employee benefits based on the wishes of our professionals, including

the introduction of cultural vouchers in addition to sports benefits. In the autumn of 2020, we launched a sports pilot for administrative personnel to improve wellbeing at work through exercise. We plan to expand the pilot to cover all of Mehiläinen's personnel.

Each year, we reward a large number of professionals for excellent performance. This year, we expanded this group of star performers due to the burden caused by the coronavirus. In 2020, we rewarded more than 2,000 professionals.

## Safe and healthy workplace

Occupational healthcare plays a major role in identifying work-related risk factors and preventing illnesses. The aim of occupational wellbeing activities is to maintain and promote work ability, job satisfaction and safety. At Mehiläinen, occupational healthcare and occupa-

During the year, we made major investments in reducing personnel turnover through a variety of measures, particularly in selected focus groups.

tional safety is arranged in accordance with Finnish law by company and region. Occupational healthcare financed by the employer aims to prevent the health risks and adverse effects of work and working conditions and to protect and promote the safety, work ability and health of the employees. It also seeks to prevent occupational accidents and diseases and other adverse health effects caused by work and the work environment.

In 2020, the coronavirus pandemic highlighted the importance of occupational healthcare in ensuring a safe and healthy work environment. Mehiläinen implemented a variety of measures to ensure safety at work. We also published these measures on our website in the spring.

Mehiläinen provides its employees with extensive occupational health services, including medical services, digital services and coaching programmes as well as specialised healthcare. The focus areas in Mehiläinen in 2019–2021 were, in particular:

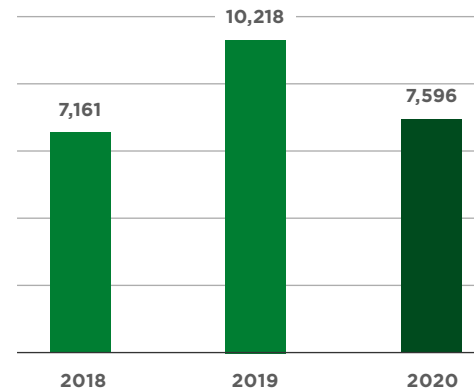
- Prediction of and early support for psychosocial stress factors
- Supporting change in business areas and units together with supervisors
- Prevention of symptoms and diseases caused by work
- Reduction of sickness-related absences
- Building and implementing good cooperation between occupational healthcare and supervisors

Mehiläinen’s occupational healthcare action plan is based on law and specifies the objectives of occupational healthcare, the needs based on the workplace conditions and the measures derived from them. The action plan is reviewed every year. Mehiläinen’s private practitioners are not covered by occupational healthcare. As entrepreneurs, they arrange their own occupational healthcare. Independent private practitioners are not hired employees – they provide services under Mehiläinen directly for customers.

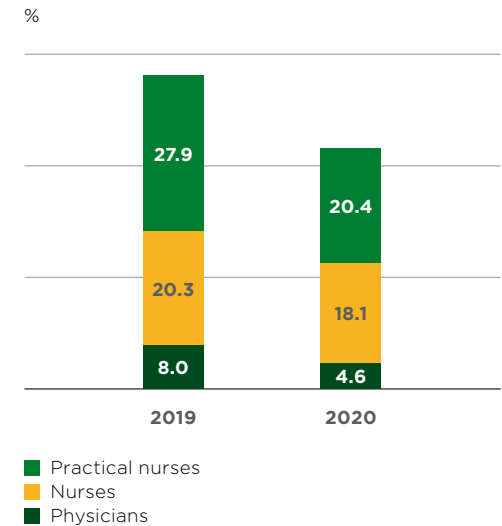
In 2020, we updated our process for investigating occupational safety incidents and accidents in cooperation with our personnel. Together with our pension provider, we developed a new occupational accident investigation model and piloted it in all our businesses. In addition, we created a fixed cooperation model between the pension insurance company, Mehiläinen HR and the occupational safety organisation to mitigate and identify work ability risks.

In 2020, the sick leave rate at Mehiläinen was 5.6 percent, with a total of 130,670 sick leave days. The most sickness-related absences occurred among nursing staff. Over the year, there were 880 accidents at Mehiläinen. No deaths or occupational accidents leading to serious illness occurred at Mehiläinen in 2020.

### Training days

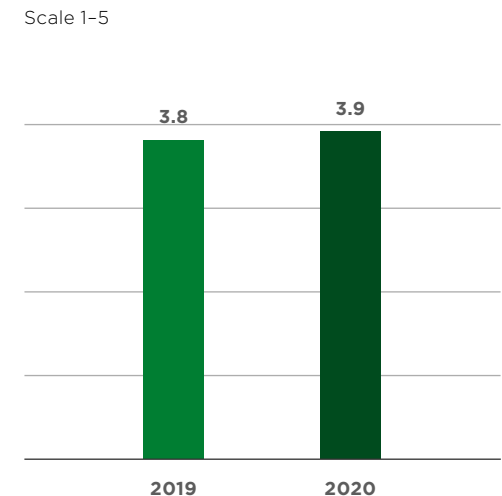


### Personnel turnover



In 2020, the coronavirus pandemic highlighted the importance of occupational healthcare in ensuring a safe and healthy work environment. Mehiläinen implemented a variety of measures to ensure safety at work.

### Total index for personnel survey





CORPORATE RESPONSIBILITY THEMES

# Sustainable development

**We recognise our responsibility as a part of society and want to act accordingly. We operate sustainably, openly and efficiently throughout the value chain. Our goal is for an ethical mode of operation to drive all of our activities, and for customers and professionals to view us as the most responsible actor in the industry.**

## Operations are based on strong data security

Data security, the safety of patient data and confidentiality form the critical basis of Mehiläinen's operations. The level of data security protocols concerning data connections, encryption, user identification, applications and expertise at Mehiläinen are as strong as possible. We apply various measures that guarantee the company's high level of data security. In 2020, Mehiläinen appointed a new Chief Information Security Officer.

Secure internet connections are critical in terms of data security, and we secured connections in 2020 through code level testing, firewalls, restricted access rights and multi-factor authentication, among other things. Connections to

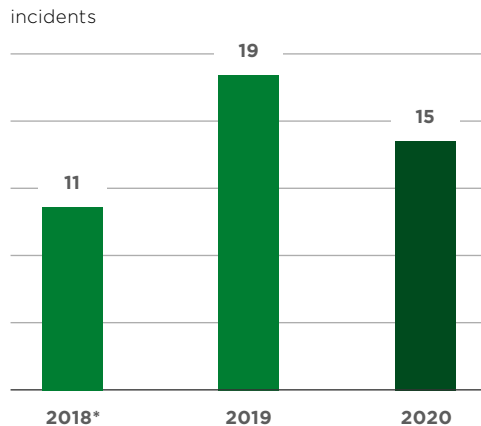
Mehiläinen's systems are tested regularly by an external data security company.

All software available in the market has vulnerabilities that are fixed when they are detected. Mehiläinen applies a wide range of measures that aim to ensure that the latest versions of software where any possible vulnerabilities have been fixed are used. The use of systems and networks is monitored and, if any abnormal behaviour or traffic is detected, an alarm is triggered. In addition to its own data security experts, the company has access to the cyber defence centre services of an external data security company. In 2020, we reported 15 data security violations to the data security authority as required by the EU General Data Protection Regulation.

Data protection and data security are part of Mehiläinen's ISO 9001 certified quality management system. We store our patient data in a category A patient information system approved by authorities. Mehiläinen's information systems and services for private services are managed and provided through high-level data security ISO 27001 certified server rooms. In public-sector services, we follow the client's policy. We comply with the EU General Data Protection Regulation, the current legislation and the guidelines regarding the processing of personal data issued by authorities.

Data security risk management is part of Mehiläinen's overall risk management efforts. We monitor the risks related to our activities regularly and

**Data security breaches reported to the data protection authority**



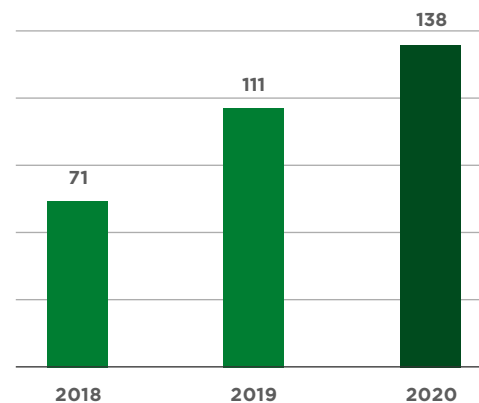
\* May-December

systematically and develop our activities on an ongoing basis.

**Mehiläinen's environmental system**

In our operations, we seek to identify and prevent any adverse effects on the environment. We expect everyone working at Mehiläinen to commit to environmental responsibility in their work. Environmental considerations are part of Mehiläinen's operating and quality system. We are developing our activities so as to reduce the amount of waste and use of paper, decrease energy consumption and reduce the environmental impact caused by travel. We take into consideration the environmental impact of our business operations, implement a responsible

**Number of suppliers committed to the supplier code of conduct**



procurement policy and develop working processes and practices that reduce the environmental burden. Our proprietary digital solutions also contribute to reducing our environmental impact.

Mehiläinen has been awarded the ISO 14001: 2015 environmental management and ETJ+ energy efficiency certificates, demonstrating that its operations fulfil the requirements imposed by these standards as well as Finnish legislation and authorities. Each Mehiläinen unit must have its own environmental programme.

**Responsible and sustainable procurement**

Procurement is a centrally managed activity at Mehiläinen. Mehiläinen's procurement organisation negotiates product and service agreements for all business areas. Procurement is developed in close cooperation with the businesses to ensure that the purchased products and service support Mehiläinen's wide range of activities in the best possible way.

The procurement policy is based on Mehiläinen's strategy and values: we implement a responsible and open procurement policy. The goal of procurement activities is a unified supplier and product portfolio, responsible partners, high-quality products and services at competitive rates and an efficient procurement process. The procurement team actively monitors the activities of the suppliers and changes in the market, organises

tendering for product categories and assesses the suppliers regularly. Mehiläinen's suppliers and supply chains play an important role in fulfilling Mehiläinen's own responsible business requirements.

We require our suppliers to commit to Mehiläinen's Supplier Code of Conduct, which defines the responsibility requirements for Mehiläinen's suppliers. Suppliers must be financially sound and observe the law, good governance and honest business practices. In their operations, suppliers must take account of quality, environmental and safety considerations as well as social responsibility. Suppliers are required to comply with national labour legislation and ILO Conventions. Suppliers must commit to the responsibility requirements in order to be accepted as Mehiläinen's partner. Suppliers must ensure that the requirements of the Code of Conduct are also followed in the subcontracting chains of the provided products or services. Compliance with the requirements is assessed through surveys, meetings and by including them in supplier contracts.

Mehiläinen develops its procurement in cooperation with the suppliers. Discussing responsibility considerations is an important aspect of supplier collaboration. Procurement seeks to secure high-quality products and services, security of supply and cost-effective solutions. To achieve these goals, logistics and goods deliveries are also optimised with the suppliers, thereby also reducing the

environmental impact. Mehiläinen has applied the Supplier Code of Conduct since 2015. The Code of Conduct was updated in 2020 and suppliers were required to agree to the new guidelines. The new, updated Code of Conduct has been signed by 138 suppliers, representing 68 percent of the total purchasing volume. Mehiläinen carries out regular supplier assessments to evaluate the collaboration and suppliers' performance and responsibility. In 2020, supplier assessment was performed on 125 suppliers and the response rate was 94. The assessment was implemented as electronic self-assessment, and responses were reviewed and scored.

### Reporting irregularities at Mehiläinen

The Code of Conduct is realised in the day-to-day activities of every Mehiläinen unit. As a rule, any irregularities are primarily resolved within the work community and line organisation. The primary channel for reporting non-compliant activities is through the immediate super-

The electricity consumed by Mehiläinen is acquired through the guarantee of origin system and is produced from 100% renewable sources.

visor, internal feedback channel or, if necessary, the hazardous situation notification channel. If the matter cannot be handled within the organisation or through the immediate supervisor, or if called for by the severity of the issue, employees can file a notification directly via a separate anonymous whistleblowing channel.

Employees are encouraged to file a notification if they suspect serious non-compliance with the Code of Conduct or some other irregularity or unethical conduct at Mehiläinen. The notification can concern financial irregularities, abuse, conflicts of interest, bribery, negligence or other actions or behaviour that is non-compliant with the Code of Conduct or illegal. All contacts via the whistleblowing channel are handled confidentially by the risk management team. In 2020, a total of seven notifications were received through the whistleblowing channel.

### We promote sustainable development by controlling energy consumption

In the Mehiläinen Group, the most significant energy consumption is generated in the leased premises for social services and child welfare services, accounting for 80 percent of the Group's total energy consumption. In this report, we report the data for these properties, as Mehiläinen is responsible for their maintenance and can therefore influence energy efficiency directly. The premises of medical clinics,

public health services and hospitals are excluded from reporting. The amount of total energy was 44.9 GWh, of which the share of electrical energy was 26.6 GWh and the share of heating energy was 18.3 GWh. 14.4 GWh of heating energy was district heating, 1.7 GWh oil heating and 2.2 GWh other heating form.

A Group-level energy monitoring system has been in place since 2019, providing visibility to property-specific monitoring of energy consumption. At the beginning of 2020, we established a new centralised Properties function, which, over the year, collected and verified information on the size of more than 200 properties in order to develop harmonised energy reporting.

The property-specific environmental plans in social services were updated in 2020 to provide more detail, and the focus in improving energy efficiency was on concrete, unit-specific improvement measures that users can influence through their own actions. According to an internal survey, 70 percent of the unit managers reported that energy efficiency goals had been met well or reasonably well in their unit.

The electricity consumed by Mehiläinen is acquired through the guarantee of origin system and is produced from 100 percent renewable sources. In most of the social services premises, heating is provided by district heating, which is produced locally using a large variety of production methods.

### Waste management at Mehiläinen

The Group-level waste management guidelines were updated in 2020 to promote more varied recycling options. The social services units drew up unit-specific waste plans as part of their environmental plans. We aim to develop our operations so as to reduce the amount of waste and use of paper. At the Group level, we support responsibility at the unit level by providing information, training and tools to promote environmental issues as part our environmental programme.

Breakdown of municipal waste in Mehiläinen in 2020:

Mixed waste	44%	552.4 tn
Biowaste	16%	195.1 tn
Waste paper	9%	109 tn
Carton	7%	85 tn
Cardboard	6%	77.9 tn
Energy	6%	72.7 tn
Plastic		
packaging	3%	42.7 tn
Other	9%	111.4 tn
Total		1246.2 tn

To increase recycling at both medical clinics and care homes, we developed waste sorting and, where feasible, started to collect plastic packaging. There has been a particular focus on responsible waste management during the coronavirus pandemic, as used protective equipment has been collected separately to prevent transmission risks. This has, however, increased the amount of mixed waste.





# Reporting principles

**34** General reporting principles

**35** GRI index



REPORTING PRINCIPLES

# General reporting principles

This report covers our activities in 2020. In future, we will report on our responsibility on an annual basis. Reporting covers all the businesses in the Mehiläinen Group and provides information on the most material responsibility topics. Ethical guidelines and operating principles apply to Mehiläinen's own activities as well as the private practitioners operating in Mehiläinen.

The report seeks to provide a balanced and comprehensive description of Mehiläinen's corporate responsibility. It takes into consideration our stakeholders' views and the social impact of Mehiläinen's operations. The materiality analysis was made in 2020 with the most important stakeholders and acts as the basis for this report. Most of the

indicators describing the materiality of our activities are GRI indicators, but they also include Mehiläinen's own indicators to reflect the special characteristics of the social and healthcare sector in order to ensure good customer experience and quality of services.

All key indicators are provided for a period of at least three years. The financial liability key indicators are based on the annual report and financial statements of the Board of Directors, which have been verified by Ernst and Young audit firm. Mehiläinen's management team as approved the corporate responsibility report. Our corporate responsibility report has not been externally verified.



## REPORTING PRINCIPLES

# GRI index

GRI Standard	Content	Location	Notes
<b>Organisational profile</b>			
102-1	Name of the organisation	Front page	
102-2	Activities, brands, products and services	Mehiläinen in brief p. 6	
102-3	Location of the headquarters	Back page	
102-4	Location of operations	Mehiläinen in brief p. 6	
102-5	Ownership and legal form	Mehiläinen in brief p. 6	
102-6	Markets served	Mehiläinen in brief p. 6	
102-7	Scale of the organisation	Mehiläinen in brief p. 6; Innovator and agile developer in the industry p. 21	
102-8	Information on employees and other workers	Mehiläinen in brief p. 6; Attractive and meaningful workplace p. 26	
102-9	Supply chain	Sustainable development p. 30-32	
102-10	Significant changes to the organisation and its supply chain	CEO's summary p. 4-5; Mehiläinen in brief p. 6	
102-11	Precautionary principle of approach	Corporate responsibility management approach p. 13	
102-12	External initiatives	Highlights of 2020 p. 7; UN Sustainable Development Goals p. 11	
102-13	Membership of associations	Stakeholder engagement p. 15	
<b>Strategy</b>			
102-14	Statement from senior decision-maker	CEO's summary p. 4-5	
102-15	Key impacts, risks and opportunities	Mehiläinen's corporate responsibility programme p. 10; UN Sustainable Development Goals p. 11; Pioneer in quality treatment and care p. 17-20; Innovator and agile developer in the industry p. 21-25	
<b>Ethics and integrity</b>			
102-16	Values, principles, standards and norms of behaviour	Mehiläinen in brief p. 6; Innovator and agile developer in the industry p. 21	
102-17	Mechanisms for advice and concerns about ethics	Sustainable development p. 30	
<b>Governance</b>			
102-18	Governance structure	Mehiläinen's corporate responsibility management approach p. 13-14	
<b>Stakeholders' engagement</b>			
102-40	List of stakeholder groups	Stakeholder engagement p. 15	
102-41	Collective bargaining agreements	GRI index	100% of our employees are covered by collective bargaining agreements, excluding top management and senior executives.
102-42	Identifying and selecting stakeholders	Stakeholder engagement p. 15	
102-43	Approach to stakeholder management	Stakeholder engagement p. 15	
102-44	Key topics and concerns raised	Stakeholder engagement p. 15	

# GRI index

GRI Standard	Content	Location	Notes
<b>Reporting practice</b>			
102-45	Entities included in the consolidated financial statements	Annual report 2020: Notes to the consolidated financial statements p. 66	
102-46	Defining report content and topic boundaries	Mehiläinen's corporate responsibility programme p. 10; Reporting principles p. 34	
102-47	List of material topics	Mehiläinen's materiality analysis p. 9; Reporting principles p. 34	
102-48	Restatements of information	Reporting principles p. 34	
102-49	Changes in reporting	Reporting principles p. 34	
102-50	Reporting period	Reporting principles p. 34	
102-51	Date of most recent report	GRI index	This is Mehiläinen's first corporate responsibility report.
102-52	Reporting cycle	Reporting principles p. 34	
102-53	Contact point for questions regarding report	Contact information p. 38	
102-54	Claims for reporting in according with the GRI standards	Table of contents p. 2; Reporting principles p. 34	
102-55	GRI content index	GRI index p. 35-37	
102-56	External assurance	Reporting principles p. 34	
<b>Material topic: Pioneer in quality treatment and care</b>			
103-1	Explanation of the material topic and its boundary	Mehiläinen's corporate responsibility management approach p. 13-14	
103-2	The management approach and its components	Mehiläinen's corporate responsibility programme p. 10; Mehiläinen's corporate responsibility approach p. 13-14; Pioneer in quality treatment and care p. 17-20	
103-3	Evaluation of the management approach	Mehiläinen's corporate responsibility programme p. 10; Mehiläinen's corporate responsibility approach p. 13-14	
<b>Own indicator</b>	NPS (Net Promoter Score) in private and public health care services	Pioneer in quality treatment and care p. 18	
<b>Own indicator</b>	Quality index of care services for the elderly	Pioneer in quality treatment and care p. 18	
<b>Own indicator</b>	Access to care in Mehiläinen's public health care centres	Pioneer in quality treatment and care p. 19	
<b>Material topic: Innovator and agile developer in the industry</b>			
103-1	Explanation of the material topic and its boundary	Mehiläinen's corporate responsibility management approach p. 13-14	
103-2	The management approach and its components	Mehiläinen's corporate responsibility programme p. 10; Mehiläinen's corporate responsibility approach p. 13-14; Innovator and agile developer in the industry p. 21-25	
103-3	Evaluation of the management approach	Mehiläinen's corporate responsibility programme p. 10; Mehiläinen's corporate responsibility approach p. 13-14; Innovator and agile developer in the industry p. 21-25	
201-1	Direct economic value generated and distributed	Mehiläinen in brief p. 6; Innovator and agile developer in the industry p. 23-24	
203-2	Significant indirect economic impacts	Innovator and agile developer in the industry p. 23-24	
207-1	Approach to tax	Innovator and agile developer in the industry p. 24-25	
207-2	Tax governance, control and risk management	Innovator and agile developer in the industry p. 24-25	
207-3	Stakeholder engagement and management of concerns related to tax	Stakeholder engagement p. 15; Innovator and agile developer in the industry p. 24	
207-4	Country-by-country reporting	Innovator and agile developer in the industry p. 24-25	

# GRI index

GRI Standard	Content	Location	Notes
<b>Material topic: Attractive and meaningful workplace</b>			
103-1	Explanation of the material topics and its boundary	Mehiläinen's corporate responsibility management approach p. 13-14	
103-2	The management approach and its components	Mehiläinen's corporate responsibility programme p. 10; Mehiläinen's corporate responsibility approach p. 13-14; Attractive and meaningful workplace p. 26-29	
103-3	Evaluation of the management approach	Mehiläinen's corporate responsibility programme p. 10; Mehiläinen's corporate responsibility approach p. 13-14	
401-1	New employee hires and employee turnover	Attractive and meaningful workplace p. 27-28	
404-1	Average hours of training per year per employee	Attractive and meaningful workplace p. 28	Average hours of training per year per employee was 4.8 (hrs).
404-2	Programmes for upgrading employee skills and transition assistance programmes	Attractive and meaningful workplace p. 27-28	
404-3	Percentage of employees receiving regular performance and career development reviews	Attractive and meaningful workplace p. 27	
<b>Material topic: Sustainable development</b>			
103-1	Explanation of the material topics and its boundary	Mehiläinen's corporate responsibility management approach p. 13-14	
103-2	The management approach and its components	Mehiläinen's corporate responsibility programme p. 10; Mehiläinen's corporate responsibility programme p. 13-14; Sustainable development p. 30-32	
103-3	Evaluation of the management approach	Mehiläinen's corporate responsibility programme p. 10; Mehiläinen's corporate responsibility programme p. 13-14	
102-9	Supply chain	Sustainable development p. 31-32	
102-17	Mechanisms for advice and concerns about ethics	Sustainable development p. 32	
205-3	Confirmed incidents of corruption and actions taken	GRI index	No incidents.
306-2	Waste by type and disposal method	Sustainable development p. 32	
308-1	New suppliers that were screened using environmental criteria	Sustainable development p. 32	
414-1	New suppliers that were screened using social criteria	Sustainable development p. 32	

# Contact information

We hope that this report succeeded in shedding light on our efforts to develop corporate responsibility at Mehiläinen. If you have any questions or feedback on responsibility at Mehiläinen, please contact Marina Lampinen, Director of Public Affairs and Corporate Responsibility at Mehiläinen.



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