



SUSTAINABILITY  
REPORT

# 2021



MEHILÄINEN  
EST. 1909

# CONTENTS



## YEAR 2021

- 4 CEO'S Summary
- 6 Mehiläinen in brief
- 7 Highlights of 2021



## CORPORATE RESPONSIBILITY AT MEHILÄINEN

- 9 Material topics
- 11 Corporate responsibility programme and key sustainability goals
- 14 Corporate responsibility and stakeholders
- 15 Corporate responsibility management



## CORPORATE RESPONSIBILITY THEMES

- 17 Pioneer in quality treatment and care
- 23 Innovator and agile developer
- 29 Attractive and meaningful workplace
- 36 Sustainable development



## REPORTING PRINCIPLES

- 42 General reporting principles
- 43 GRI index

**This report provides** key information on the material topics and main impacts of Mehiläinen's sustainability work in 2021. The report has been prepared in accordance with the Global Reporting Initiative (GRI) Core option. The GRI index is at the end of the report. The report is published in Finnish and English.

[Read more about our operations](#)

 Clicking on the Menu icon will bring you back to this page.



# YEAR 2021

- 4 CEO'S Summary
- 6 Mehiläinen in brief
- 7 Highlights of 2021





CEO'S SUMMARY

# MEHILÄINEN'S CORPORATE RESPONSIBILITY STRIVES FOR A BETTER LIFE

As the COVID-19 pandemic continued, we achieved results in the areas of quality, customer satisfaction, employee well-being and sustainability.





In 2021, Mehiläinen and Mehiläinen's professionals once again demonstrated their resilience and ability to adapt in exceptional times. Despite the COVID-19 pandemic continuing and challenging our everyday operations, we achieved significant results in the areas of quality, customer satisfaction, employee well-being and sustainability – goals set out in our corporate responsibility programme.

### **Customer satisfaction and personnel survey index at an excellent level**

Our customer satisfaction in both public and private healthcare services remained at an excellent level throughout the year, even by international standards. I am especially proud of the fact that the overall index of our annual personnel survey also reached a strong result, indicating once again that Mehiläinen is a good place to work. For Mehiläinen, the well-being of our staff is essential to our success, and our goal is to be the most desirable workplace in the sector. Ambitious development efforts in elderly care also proved successful, as the quality index measuring the quality of care improved significantly from the previous year. Moreover, the company's excellent financial performance enables continuous investment and development in digitalization.

Mehiläinen also continued to play a significant role in the management of the pandemic both in both Finland and Estonia. During the year, we conducted more than 650,000 COVID-19 tests, participated in COVID-19 vaccinations and produced vital information about the COVID-19 virus through

our laboratories, including the sequencing of new variants.

### **A strong commitment in continuous development of quality**

In addition to success, we also faced challenges as our self-monitoring was found to be inadequate in a unit of the services for the disabled. We commissioned a comprehensive internal investigation of the incident, which will lead to improved selfmonitoring, cooperation with the authorities and personnel training. Mehiläinen management and the professionals in our social care services are strongly committed to these measures.

In the spring, we concluded a new EUR 1.06 billion loan package with our financiers, with an interest margin that takes our sustainability goals into account. The indicators tied to the package are the quality index of elderly care services, access to non-urgent care at Mehiläinen's public healthcare centres and Mehiläinen Group's carbon dioxide emissions. We will use the potential savings to further our sustainability goals.

### **Gold-rating in the international EcoVadis sustainability assessment**

Our corporate responsibility efforts were also reflected in ratings. EcoVadis, an international company providing sustainability assessments, awarded Mehiläinen a Gold level rating. EcoVadis assesses corporate responsibility through four areas: the environment and climate, labour and human rights, ethics and sustainable procurement. Only 5% of the more than 75,000 companies assessed receive

In the spring, we concluded a loan package with our financiers, with an interest margin that takes our sustainability goals into account. The indicators are the quality index of care services for the elderly care services, access to non-urgent care at public health centres, and the Group's carbon dioxide emissions. We will use the potential savings to further our sustainability goals.

the Gold rating. I would like to thank everyone at Mehiläinen for your contribution to these results!

This is our second corporate responsibility report under the GRI framework, and I am glad to be able to report such fine results. Sustainable business is also financially profitable and productive business. That is why sustainability will be even more important in the coming years, as Mehiläinen's activities become more international and expand into new areas. I believe that this will enable us to perform even better.

**Janne-Olli Järvenpää**



MEHILÄINEN IN BRIEF

# 112 YEARS ON A LIFELONG MISSION

**IN 1909, A GROUP OF DOCTORS**

established Mehiläinen in Helsinki. Today, we continue on the same path, creating better health and well-being for everyone. At Mehiläinen, we're on a lifelong mission.

Mehiläinen is a well-known and appreciated private provider of social and health care services in Finland and abroad. We offer comprehensive high-quality services quickly and effortlessly. Mehiläinen provides treatment, support, and care for more than 2 million customers every year at over 670 locations, where services are provided by a large number of employees and private practitioners. Now 112 years old, Mehiläinen is a traditional but rapidly developing and growing forerunner in its sector.

Mehiläinen's head office is located in Helsinki, Finland. Mehiläinen's main market is Finland, where it operates in the social and health care services sector. Mehiläinen also operates in the health care services business in Sweden, Estonia and Germany. In addition, Mehiläinen offers digital solutions for health services to foreign health care companies. The funds managed by CVC Capital Partners are the principal owner of Mehiläinen. Mehiläinen's owners also include the LocalTapiola Group, Varma, the State Pension Fund of Finland (Valtion Eläkerahasto,

VER), Ilmarinen, Apteekkien Eläkekassa, Valion Eläkekassa and the management of the company. The parent company of the Mehiläinen Group in Finland is Mehiläinen Konserni Oy.

**Mehiläinen's mission is to improve health and well-being together.**

- You and your family get individual care quickly and smoothly.
- Together with us, employers can maintain 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 social and health care professionals meaningful work in an inspiring atmosphere in which they can develop their skills.

**Shareholders**

Funds managed by CVC Capital Partners	<b>56%</b>
LocalTapiola 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>6%</b>



**OUR VALUES**

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

**OUR CUSTOMER PROMISE**

- Ease of interaction
- Holistic service offering
- Personalised service

Number of employees and private practitioners      Total number of customers at Mehiläinen

**29,000**      **2 million**

Number of units      Revenue (EUR million)      Revenue growth

**670**      **1,398.9**      **20.3%**

**BUSINESS AREAS**

**Health care services**

**Private health care services**

Physician services, diagnostics, operations, dental care, therapy and working life services, digital solutions

**Public health care services**

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

**Social health care services**

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



# EVENTS AND HIGHLIGHTS



## FINANCING AGREEMENT THAT TAKES SUSTAINABILITY INTO ACCOUNT

In spring 2021, Mehiläinen agreed on a EUR 1.06 billion loan package with its financiers, and the interest margin of the loan takes into account Mehiläinen's success in achieving the sustainability goals tied to the financing. The indicators tied to the package are the quality index of care services for the elderly, access to non-urgent care at Mehiläinen's public health centres (T3 time) and Mehiläinen Group's carbon dioxide emissions.

[Read more](#)



## PRIMARY HEALTH CARE WITHOUT QUEUES

Mehiläinen adopted digital health services and a new kind of teamwork model at Harjun terveystieteiden keskuksessa, which have a particular impact on access to care. The T3 time indicating access to non-urgent care has been excellent already in the first year. The goal is provide access to primary health care entirely without waiting times, which, in the second half of the year, has largely been achieved.

[Read more](#)



## PATIENT-FOCUSED QUALITY MONITORING

Mehiläinen expanded the measurement of patient experience and, in addition to customer satisfaction surveys, introduced a PEI questionnaire to measure care outcomes as perceived by the patients. The questionnaire is sent after an appointment and inquires about the patient's perception of their ability to cope with their illness or symptom. The PEI questionnaire expands the quality metrics used by Mehiläinen in a more patient-centric direction.

[Read more](#)



## EXCELLENT CORPORATE RESPONSIBILITY ASSESSMENT

EcoVadis, a company providing sustainability assessments, has awarded Mehiläinen a Gold level rating for Mehiläinen's sustainability work. EcoVadis assesses corporate responsibility in four areas: the environment and climate, labour and human rights, ethics and sustainable procurement. Only 5% of the more than 75,000 companies assessed receive the Gold rating.

[Read more](#)



## FIRST EQUALITY SURVEY

Mehiläinen carried out its first equality survey, receiving responses from over a thousand Mehiläinen employees. Based on the survey, the company updated its equality and non-discrimination plan and, in autumn 2021, organised training for employees on how to encounter sexual diversity in customer work.



# CORPORATE RESPONSIBILITY AT MEHILÄINEN

- 9** Material topics
- 11** Corporate responsibility programme and key sustainability goals
- 14** Corporate responsibility and stakeholders
- 15** Corporate responsibility management



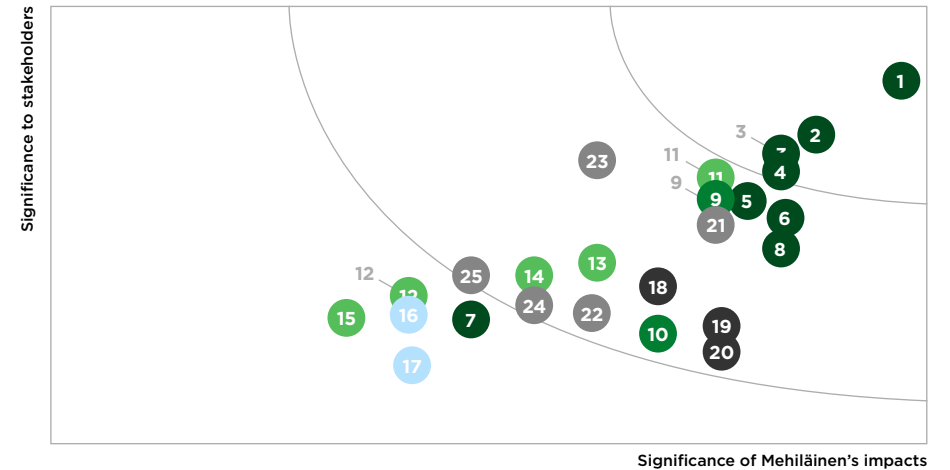
MATERIAL TOPICS

# MEHILÄINEN'S MATERIALITY ANALYSIS

Mehiläinen conducted a materiality analysis of corporate responsibility in spring 2020. The analysis served as the basis for building Mehiläinen's responsibility programme and responsibility reporting.

The materiality analysis was carried out by means of interviews, a comparative study and an electronic survey. The respondents of the survey included private and corporate customers, public sector customers, Mehiläinen employees and representatives of other key stakeholders.

The matrix below portrays the results of the materiality analysis and Mehiläinen's own assessment of the significance of the impacts.



**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 well-being 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 well-being 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 health care 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



CORPORATE RESPONSIBILITY PROGRAMME AND KEY 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 in areas that are important to it and to measure its progress.

Mehiläinen's responsibility programme is built 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 below. The most material UN Sustainable Development Goals for Mehiläinen's activities are also included.

In 2021, the programme was updated to reflect the company's internationalised operations.

## PIONEER IN QUALITY TREATMENT AND CARE

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

### Goal 2025

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



## INNOVATOR AND AGILE DEVELOPER

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

### Goal 2025

We grow profitably and create jobs and wealth. Our digital solutions provide extensive and more accessible social and health services. We have made health care into a new pillar of Finnish export.



## ATTRACTIVE AND MEANINGFUL WORKPLACE

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

### Goal 2025

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



## SUSTAINABLE DEVELOPMENT

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

### Goal 2025

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





THE UN SUSTAINABLE DEVELOPMENT GOALS

# MEHILÄINEN'S ACTIVITIES PROMOTE THE SUSTAINABLE DEVELOPMENT GOALS

The United Nations Sustainable Development Goals, Agenda 2030, are a set of goals designed to be a blueprint for future international development. They aim to make the world a better place to live for all.

**W**e promote the UN Sustainable Development Goals (Agenda 2030) in our operations, and as part of our corporate responsibility, examine

the impact of our activities in relation to the goals. When choosing our main goals, we critically reviewed how our operations contribute or could contribute to sustainable development.

We identified four goals that our work will have a direct and significant impact on:

- 3 Good health and well-being;**
- 8 Decent work and economic growth;**
- 9 Sustainable industry, innovation and infrastructure;** and
- 17 Partnerships for the goals.**

In addition, we identified three other important goals for our operations:

- 4 Quality education;**
- 10 Reduced inequalities;** and
- 12 Responsible consumption.**

We aim to influence the achievement of these goals and emphasise their importance in our business.

The UN Sustainable Development Goals are a blueprint for future international development. They aim to make the world a better place to live for all and to ensure a good future for future generations.

## THE MOST MATERIAL SUSTAINABLE DEVELOPMENT GOALS FOR MEHILÄINEN



### GOAL 3: ESTABLISH GOOD HEALTH AND WELL-BEING FOR PEOPLE OF ALL AGES

Mehiläinen's mission is to improve health and well-being. We invest in the development of high-quality treatment and care and increasing their effectiveness. We promote the quality of treatment and care and the rights of customers by producing information and publishing indicators related to quality and safety openly, so that our activities can also be monitored and evaluated from the outside. We contribute to transparency throughout the health care system. In 2021, Mehiläinen undertook many development activities that promote health and well-being for all.

In 2021, we continued our ambitious development work in all of our business areas to improve the accessibility, quality and impacts of our services. We expanded into new countries of operation, both in terms of our own network and through the provision of digital health care solutions. Consequently, our activities affect not just Finland but also Sweden, Estonia and Germany, as well as several other countries through our digital solutions.

- Mehiläinen supported the management of the coronavirus pandemic and the prevention of COVID-19 by maintaining a large testing capacity, participating in vaccination, developing novel testing methods and producing research data on the progress of the pandemic and new variants. We continued to enhance hygiene measures in our services during the year.

In 2021, we continued our ambitious development work in all of our business areas to improve the accessibility, quality and impacts of our services.

- In our digital services, we developed new kinds of treatment paths for chronic diseases. The aim is to promote a better balance in the treatment of diseases, thus improving patients' quality of life. The digital treatment path for diabetes was introduced in a pilot group in late 2021.
- We promote access to health care by providing digital solutions for our customers and other health care providers. During the year, Mehiläinen's digital solutions were adopted in our operations in Estonia and Sweden, as well among our partners' customers in several countries. Digital services were also expanded in Finland as part of Mehiläinen's public services.

➤ Actions to further this goal are reported in more detail in this report in the sections **Pioneer in quality treatment and care** and **Innovator and agile developer**.





**GOAL 8: PROMOTE SUSTAINABLE ECONOMIC GROWTH FOR ALL, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK**

We contribute to this goal especially by employing people, investing and creating economic growth through tax income. Mehiläinen is one of Finland’s largest private employers 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.

The number of full-time Mehiläinen employees increased in 2021. We hired nearly 7,000 employees during the year, and the total personnel number in Finland increased by approximately 4,000. In accordance with our goals, our personnel structure developed in a sustainable direction, as the proportion of fixed-term employment contracts decreased clearly during the year.

- During the year, substantial investments were made in the management of occupational safety and work ability. Significant results were achieved in the management of disability cases and risk costs due to accidents, and clear progress was made in the management of risks related to work ability. The total number of employees’ sickness-related absences decreased.
- We furthered our ability to grow sustainably by investing particularly in monitoring and reducing environmental impacts. As part of our financing agreement, we committed to reducing the Group’s carbon footprint. We also advanced the monitoring of our units’ energy and water consumption and waste during the year.

› Actions to further this goal are reported in more detail in this report in the sections **Sustainable development** and **Attractive and meaningful workplace**.



**GOAL 9: BUILD A SUSTAINABLE INFRASTRUCTURE AND PROMOTE SUSTAINABLE INDUSTRY AND INNOVATION**

We contribute to the achievement of the goal particularly by making investments in our countries of operation, establishing new care and health care units and by innovating and developing treatment and care. New kinds of services and innovations are continuously developed in Mehiläinen’s various functions each year. We export the new service models we have developed globally, in particular through the digital service selection we have developed.

- During the year, Mehiläinen’s digital service development teams were expanded to respond to the increased demand and growing customer base. We recruited more than 60 new experts for digital services in Finland and the BeeHealthy teams responsible for international services.
- We created several new digital treatment and service paths for the needs of our customers in Finland and around the world. This will contribute to the future global development of the industry.
- Digital services and large data volumes require a great deal of energy. In 2021, we continued to move Mehiläinen’s service production from traditional data centre production to energy-efficient, and thus more environmentally friendly, production facilities.

› Actions to further this goal are reported in more detail in this report in the sections **Sustainable development** and **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 health care to ensure that services are organised in society in the best possible way for customers and patients. Mehiläinen promotes the decision-making power of customers through a customer panel that allows customers 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.

- In 2021, Mehiläinen built partnerships with Finnish universities and signed framework agreements with universities offering medical education to strengthen research and teaching cooperation. Open dialogue will help to find new opportunities for cooperation to increase the skills of health professionals.
- During the year, we were an active member of our employers’ association, the Finnish Association of Private Care Providers (HALI). Through HALI’s activities, we contribute to promoting dialogue and cooperation between various actors in society.



MEHILÄINEN'S CORPORATE RESPONSIBILITY AND STAKEHOLDERS

# MEHILÄINEN'S STAKEHOLDERS FROM THE PERSPECTIVE OF CORPORATE RESPONSIBILITY

Mehiläinen is a significant social actor, and its activities have a wide impact on society. We work in close cooperation with our various stakeholders and, through our services, interact with over 2 million customers 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 2021	Our response to stakeholder expectations
<b>Customers</b>	Daily service interactions, customer service channels and the OmaMehiläinen app, customer satisfaction surveys and the customer panel, surveys of residents in social care services, organisational customers' steering groups, communication with families, social media, meetings, service messages, newsletters and marketing communication.	High-quality and safe services quickly and effortlessly. Flexible availability of digital services as the coronavirus pandemic continues. Smooth distribution of tests and vaccinations. Securing services in all circumstances. Responsible business and tackling grievances effectively.	We invested strongly in providing our customers with high-quality, effective and safe services as allowed by the epidemic situation. We expanded our range of services and functions. We developed our digital services to respond to growing demand. We increased our customer understanding through studies and actively recruited new professionals to meet the demand for services. We invested strongly in quality development in all our business areas.
<b>Personnel</b>	Intranet, Yammer, Workday, personal interaction, personnel bulletins, monthly management reviews, business line info sessions, Group-wide personnel info sessions, the personnel survey and other surveys, performance reviews, training, personnel events and seminars.	Good management, development opportunities, open dialogue, investments in occupational well-being and work ability, equality and responsible pay. Smooth and safe working conditions. Investing in and appreciating employees during the continuing pandemic.	We put the focus on our personnel in the On a Lifelong Mission project. HR implemented several development projects during the year to promote work ability and well-being at work. We continued to invest in supervisors and management. We expanded our internal training. We invested in creating career paths and communications within the Group.
<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, agile assistance during the pandemic.	We engaged in active dialogue with decision-makers and the regulatory authorities, actively communicated our actions, developed our quality system and self-monitoring. We actively participated in the discussion and development work in the social welfare and health care sector.
<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, building the future, dynamically adjusting activities to the changing situation, active access to information and building trust. Transparency in challenging situations.	We grew sustainably and expanded into new countries of operation and new lines of business; we adjusted our operations nimbly in changing circumstances and found new business solutions; we developed our activities to respond to demand; and we engaged in active and open dialogue and increased interaction in crisis situations.
<b>Labour market organisations</b>	Open and active dialogue, participation in the bodies and activities of the employer organisation, negotiations through organisations, bilateral discussions and negotiations, bilateral meetings and cooperation in processes.	Active operation and presence as a member of the Finnish Association of Private Care Providers (HALI), open dialogue with employee organisations.	We participated proactively in various bodies of HALI and helped develop the Association's activities, we were an active player in preparing 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. Participation in matters where Mehiläinen is a significant player.	We engaged in active cooperation with various operators and organisations, and further developed our sponsorship activities. We particularly cooperated in research on the coronavirus with different parties.
<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 services for the media.



CORPORATE RESPONSIBILITY MANAGEMENT

# 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 in one's work and develop 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, financing policy and corporate responsibility policy.	Personnel policy, Code of Conduct and corporate responsibility policy.	Corporate responsibility policy, Code of Conduct, Data protection and information security policy, Procurement policy, Anti-fraud policy and Communications policy.
<b>Objectives</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 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, while the Chief Medical Officer is responsible for operative management. The quality management organisation comprises the Chief Medical Officer, Quality Manager and quality team, including representatives from the business areas. In addition, persons responsible for quality management have been designated for different business lines and support functions. Quality management is based on comprehensive self-monitoring and cooperation with the authorities.	The overall responsibility for business operations and the implementation of the Group strategy lies with the CEO. The directors of the business areas, business lines and support functions are responsible for their respective operations. The CFO leads the tax policy and responsible financial management.	The CEO is responsible for the whole. 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 management 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.
<b>Feedback mechanisms</b>	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.	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.	Annual personnel survey, including assessment of management and supervisory work; monthly personnel pulse and other surveys. Induction and exit surveys. Staffing Services' dedicated feedback channels. Anonymous whistleblowing feedback channel.	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.
<b>Achievements in 2021</b>	Extension of self-monitoring to new subsidiaries based abroad. Strengthening patient focus in measuring customer satisfaction. Strengthening quality improvement work in social care services by service area. Internal investigation and development activities related to quality control in services for the disabled.	Scaling digital services and building new service models and services. Expanding services internationally and new public sector partnerships. New operating models in different service lines.	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. Updating the equality and non-discrimination plan and conducting the equality survey.	Monitoring, basis of knowledge and management of properties was strengthened further. Calculating the Group's carbon footprint. Data security was reinforced through a number of measures.



# CORPORATE RESPONSIBILITY THEMES

- 17** Pioneer in quality treatment and care
- 23** Innovator and agile developer
- 29** Attractive and meaningful workplace
- 36** Sustainable development





CORPORATE RESPONSIBILITY THEMES

# PIONEER IN QUALITY TREATMENT AND CARE

Mehiläinen's quality improvement efforts and interaction with customers are guided by our values of knowledge and skills, and responsibility and caring. The core of our quality is our promise that our customers and their families can rely on us to provide individual, smooth, safe and effective treatment and care. We apply knowledge-based management, seek to perform better every day and are a pioneer in digital health care.





## Quality assurance is carried out in Mehiläinen based on the principle of continuous development and improvement

Mehiläinen's quality improvement work is managed by a quality team led by the Chief Medical Officer. The team maintains a comprehensive set of quality metrics and develops new ways to manage and strengthen quality. The quality team is responsible for ensuring that Mehiläinen's quality work is standardised, comprehensive and as open and transparent as possible. In 2021, Mehiläinen's self-monitoring was extended to new operating countries in Sweden and Estonia. The quality figures reported in this report only cover the Group's operations in Finland.

Mehiläinen openly publishes a set of quality metrics on its website that allows anyone to follow the quality efforts undertaken in Mehiläinen and their effectiveness. The open set of metrics includes some 25 indicators describing customer experience, availability, care outcomes, safety and employee experience.

In 2021, Mehiläinen expanded the measurement of patient experience by introducing a question from the Patient Enablement Instrument (PEI) to complement the customer satisfaction survey. The PEI has been shown to widely reflect a patient's experience of coping. The question is used to determine whether the patient feels able to cope with their symptoms or illness after an appointment.

## Excellent customer satisfaction despite the challenges of the pandemic

Customer experiences with Mehiläinen have been measured since 2014 with the internationally

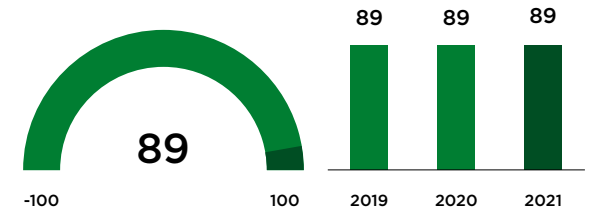
applied Net Promoter Score (NPS). The NPS index may be anything between -100 and +100. The higher the index is, the more customers say that they can recommend Mehiläinen. An NPS index of more than 50 is considered to be very good.

In 2021, Mehiläinen's professionals again provided excellent treatment and care to customers and the customer experience remained at a record level. The total NPS for the year was 89 in private health services, 80 in Mehiläinen health centres and 74 in all public health services. In addition to private customers, Mehiläinen serves a vast number of public and private organisations every year. In 2021, for the second year in a row, the personal assistance services provided under Mehiläinen's public services received the best customer satisfaction ratings on the market. Customer satisfaction in Mehiläinen Länsi-Pohja also grew linearly despite the challenging conditions during the pandemic.

Mehiläinen holds the top position in questions measuring preference in a survey for occupational health care decision-makers conducted by Taloustutkimus. The decision-makers also rate Mehiläinen as the leader in service quality, customer service and pioneering digital services. Mehiläinen's performance in the Net Promoter Score (NPS) index of occupational health care decision-makers weakened due to exceptionally strong demand and growth, which challenged the provision of services and thus the response times of access to services. We will address this by actively recruiting more professionals and further developing our digital services.

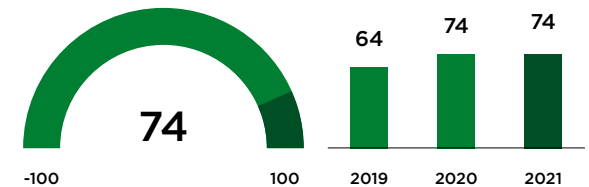
### The total score of private healthcare service NPS indice

Scale -100-100



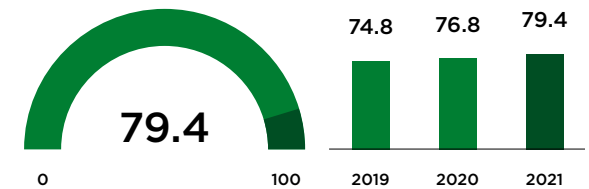
### The total score of public healthcare service NPS indice

Scale -100-100



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

Scale 0-100



\* The index changed slightly from 11/2021 to take better account of service line-specific matters.

In social care services, 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. In 2021, the quality index of care services for the elderly was 79.4, the quality index of mental health services was 77.6, and the quality index of services for the disabled was 83.2. As part of its financing agreement, Mehiläinen is committed to improving the quality of care for the elderly, and thus the quality index, every year. The quality improvement efforts in social care services is reported in more detail in this report.

Health Centre Mehiläinen also measures the quality index, which is based on six quality areas approved by the Finnish Medical Association. The quality index for 2021 was 86. In addition, a self-monitoring survey is carried out four times a year. In 2021, the survey was expanded to cover almost all the public health service functions. The survey measures topics such as patient safety, information security, operating models and employee orientation. The total score for public health services was 91%.

### Access to services was assured even amid the epidemic

The use of and demand for digital services continued to be high in 2021, establishing the Digital Clinic as one of Mehiläinen's largest units. Despite peak times, a good average level of access to services was maintained throughout the year,

with an average response time of six minutes in the Digital Clinic in 2021.

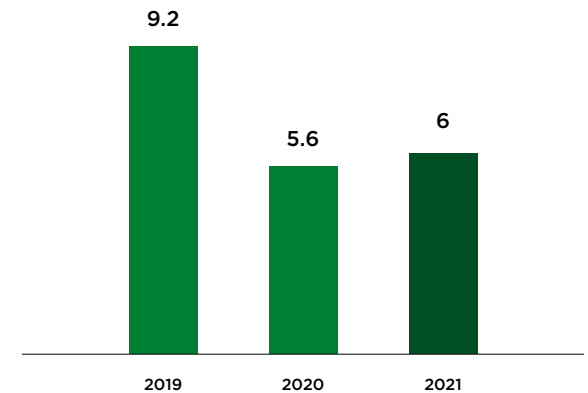
As part of the new financing agreement signed in the spring, Mehiläinen committed to guaranteeing access to non-urgent care within seven business days in its own public health centres. Consequently, great efforts were made during the year in Mehiläinen's public services to ensure access to care. At Harjun terveys, a teamwork model was introduced which succeeded in ensuring access to primary health care practically without queues in the second half of the year. Access to treatment was also at an excellent level in Mehiläinen Länsi-Pohja, and elective treatment and the treatment processes required for COVID-19 could be provided simultaneously better than in 2020. Service availability is generally measured with the T3 indicator indicating the third available non-urgent appointment. In 2021, the average time for a doctor's appointment at Mehiläinen's public health centres was 6 days.

### More effective care through knowledge-based management

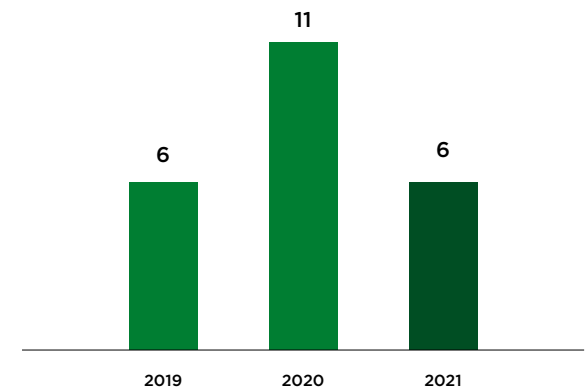
Effective treatment is the key indicator of smooth and efficient health care and is monitored at Mehiläinen in a variety of ways: for example, we monitor the control of various diseases, the quality and outcomes of orthopaedic surgeries and the effectiveness of treatment. In 2021, Mehiläinen focused on developing a digital treatment path for chronic diseases and taking patient experience increasingly better into consideration.

Developing the contact and remote treatment of diabetes is Mehiläinen's focus area. Mehiläinen's

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



**Average response time of Digital Clinic\***  
Min



\* 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.





subsidiary BeeHealthy developed and launched a digital treatment path for chronic diseases in cooperation with Harjun terveystieteiden tutkimuskeskus, which seeks to improve the balance of diabetes treatment and help patients achieve their own health goals. The goal is to stop the progression of diabetes and put the disease into remission, which may even allow patients to stop taking their medication. The service was introduced for the pilot group at the end of the year.

Mehiläinen's quality metrics continuously measure the balance of treatment for diabetes and cardiovascular diseases. Control of these diseases is an 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 in 2021 was 2.22 mmol. 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 for people with diabetics is < 2.5 mmol/l and the target level for long-term blood glucose is < 53 mmol/mol. The averages for Mehiläinen's diabetes patients in 2021 were 2.55 mmol/l for LDL cholesterol and 53.02 mmol/mol for long-term

blood glucose. Compared to 2020, the treatment balance of Mehiläinen's patients has improved and approached the target levels indicated in the Current Care Guidelines.

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 2021, the percentage at Mehiläinen was 97.91, indicating consistent and high-quality treatment.

**Patient safety is the basis of all treatment and care in Mehiläinen**

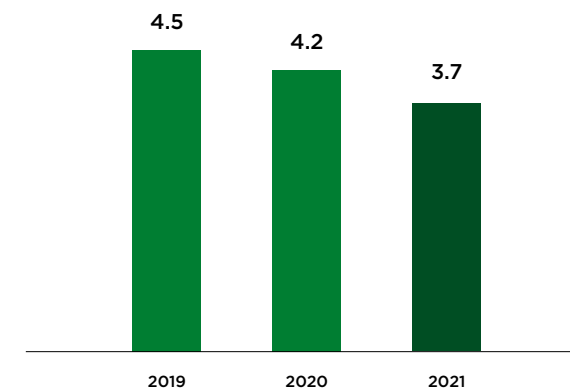
Patient safety is a critical aspect of high-quality treatment, and we monitor and develop this area continuously. Patient safety is also monitored in Mehiläinen's quality metrics with several indicators. The quality metrics also contain comparative data from previous years and on a monthly level.

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 2021, the prescription rate of opioids ranged from just under to just over 2%, while the rate of sleeping pills and tranquilisers was around 1%. The indicator helps monitor the trends in prescriptions. The prescription of CNS agents has remained at a reasonable level.

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

Mehiläinen's quality metrics continuously measure the balance of treatment for diabetes and cardiovascular diseases. Control of these diseases is an important indicator, as these diseases are common in Finland and their treatment has a significant impact on public health.

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





antibiotics prescribed at 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 2021, the proportion of such appointments remained under 5% per month, indicating the responsible prescription of antibiotics.

Safety is 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. In 2021, patient injuries acknowledged as such occurred at 0.003% of appointments at Mehiläinen's public health centres and oral health care units and at 0.002% of appointments at private medical clinics. 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 include monitoring of the surgical wound infections of surgery patients. A coordinating hygiene nurse monitors the infections and reports on them regularly. Infections are entered in a joint register. In 2021, reporting of surgical wound infections was updated in line with current recommendations. 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 social care services, we monitor safety as an area of the quality index. The safety index (0-100) 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 is assessed monthly. In 2021, the average index for the elderly was 95.2 and in mental health services and disabled care services 91.5.

Patient safety is a critical aspect of high-quality treatment, and we monitor and develop this area continuously. Patient safety is also monitored in Mehiläinen's quality metrics with several indicators.



# THE QUALITY OF SOCIAL CARE SERVICES UTILIZES SELF-MONITORING AND IS PERFORMED IN CLOSE CO-OPERATION WITH AUTHORITIES

**A GREAT DEAL WAS DONE IN 2021** to develop quality assurance in social care services. In connection with the brand and service line reform, quality indicators and tools were updated to meet the individual requirements of each service area (the elderly, services for the disabled and mental health rehabilitation). The Quality Manager of social care services is responsible for ensuring and developing the quality of social care services together with the business line management and the Group Chief Medical Officer.

Quality management work in the units is steered by annually updated self-monitoring plans. In addition, units fill in a weekly self-monitoring survey, the results of which form a service line-specific

self-monitoring index. The quality team contacts and provides continuous support to units whose index indicates shortcomings. Units are also subject to regular self-monitoring visits, where pre-agreed topics are reviewed.

In addition to self-monitoring, external audits are conducted in the units every year to verify compliance with quality standards. Monitoring visits are also carried out by municipalities, Regional State Administrative Agencies and the Parliamentary Ombudsman, either as agreed or as unannounced visits. In 2021, enhanced self-monitoring and an extensive internal unit investigation were carried out in Mehiläinen's services for the disabled due to deviations and neglect revealed in one unit. As a result of the investigation, the company decided on a comprehensive range of short-term and long-term corrective measures.

In Mehiläinen's social care services, quality promises steer operations in five different areas: individual care, guidance and support, tasty and healthy food, safety, a comfortable personal home and a sense of community and participation. The fulfilment of these promises is measured regularly through quality surveys targeted at residents, their loved ones and employees. The results of the survey form a quality index for each unit and service line, indicating the perceived fulfilment of the quality promises.

In addition to the quality index based on the experience of residents, their loved ones and employees, quality indicators obtained directly from the customer information system were introduced during the year. In 2021, these indicators were

adopted in services for the elderly to monitor the implementation of personal moments, outdoor activities, functionality, cooperation with loved ones and documentation, among other topics. Next, the indicators will be deployed in other service lines.

The functional capacity of residents is measured in the units using various indicators. The most common of these is the Residential Assessment Instrument (RAI), which is widely used in the industry. In services for the elderly, nationwide RAI surveys are carried out twice a year under the coordination of the Finnish Institute for Health and Welfare. The RAI results for Mehiläinen's residential care services for the elderly have been better than the national average for two years now. In addition to nationwide assessment, Mehiläinen has introduced weekly unit-level monitoring of the eight most important RAI indicators, implemented by the unit-specific RAI supervisors. The results of the RAI assessments are used not only in the management of daily quality work, but also for identifying personnel competence development needs.

There are also several other documented feedback channels for residents, their loved ones and employees. Mehiläinen's professionals have a legal obligation to report any irregularities detected and an obligation to report customer and occupational safety incidents using electronic tools. Irregularities are monitored, and continuous corrective and preventive measures are taken on the basis of the observations at the unit, service line and business area level. Complaints from authorities and responses to them are also monitored. Service line-specific processes were created during the year for handling complaints in order to ensure quality.





CORPORATE RESPONSIBILITY THEMES

# INNOVATOR AND AGILE DEVELOPER

Mehiläinen's twin values of growth and development as well as partnership and entrepreneurship form the basis for all of our activities. Our growth is stable, we create new jobs and export Finnish expertise to the international market. We invest in the development of social and health care service innovations and new operating models, thereby contributing to the future of social welfare and health care in Finland and globally.

## Mehiläinen's role in managing the pandemic continued to be significant

The coronavirus pandemic continued to mark Mehiläinen's operations in 2021 and challenged service production to become flexible, adaptable and develop in accordance with the service needs of customers and society. Mehiläinen was a significant player in managing the pandemic in several countries of operation. In Finland, we continued to provide a considerable number of COVID-19 tests with a total of 286,400 PCR tests and 135,800 antigen tests carried out in Mehiläinen over the year. Mehiläinen's tests corresponded to 8% of all tests carried out in Finland. Mehiläinen also acted as a testing partner for several event organisers to enable the organisation of health-safe events. Outside Finland, Mehiläinen was a significant tester in Estonia, where Mehiläinen's subsidiary Qvalitas was a major COVID-19 test service provider with 239,000 tests.

In 2021, Mehiläinen participated in coronavirus vaccination as a service provider for both occupational health care and municipalities in several locations. Mehiläinen's professionals also helped secure vaccination as temporary workers at municipal vaccination stations, especially in the larger cities. In Estonia, Mehiläinen was a major vaccinator: a total of 78,000 vaccines were administered in Qvalitas units during the year.

Mehiläinen's central role in testing enabled the production of research data and serving society for a better understanding of the pandemic. Mehiläinen sequenced samples for new variants, producing information on the progress of the pandemic in Finland. New testing methods were also provided.

Antibody research on COVID-19 was developed together with university study groups, involving over 2,700 people being recruited for a study on the genetic background of the disease. The study visits were carried out at Mehiläinen and the data will be available in the Biobank. The results showed regional differences in the incidence of the disease and confirmed that by summer 2021, a relatively small proportion of people in Finland had contracted COVID-19. The accuracy of the COVID-19 testing innovation developed on the basis of collaboration between Mehiläinen and ArcDia was demonstrated in a peer-reviewed research article by prestigious science publisher Nature. ArcDia Oy's method utilises patented diagnostic technology for the identification of infectious diseases.

## Digital services became established practice

In 2021, digital services clearly established their role as one of Mehiläinen's key service channels, providing customers with accessible health care services and improving the geographical coverage of health care services. Mehiläinen's Digital Clinic was also made available to customers at Harjun terveys in Päijät-Häme and in Mehiläinen's new countries of operation, Estonia and Sweden. The use of digital services also increased at Mehiläinen Länsi-Pohja.

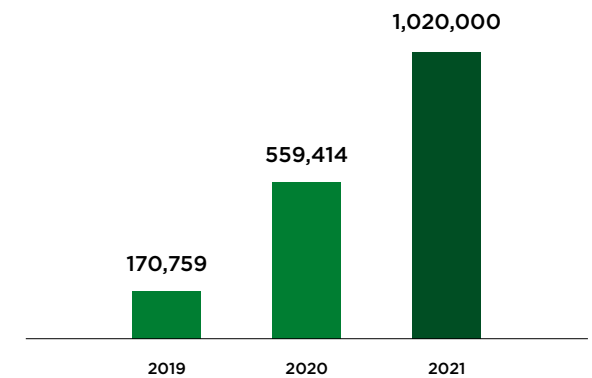
By the end of the year, the OmaMehiläinen service had over 1.5 million registered users. The number of appointments at the Digital Clinic increased from the previous year, with a total of 1,020,000 appointments during the year. The Digital Clinic is also used in some of Mehiläinen's

public health care services, where the number of appointments was 75,000.

The central role of digital services continued in the provision of occupational health care services for a large and growing customer base. In the second half of the year, the Mehiläinen Digital Clinic occupational health clinic was published for piloting. The pilot involved 90,000 private occupational health care customers. The service is planned to be expanded in spring 2022. Compass tools to support management of working ability and early intervention have been used by our customer companies for years. In 2021, they had been adopted by 5 percent of Mehiläinen's occupational health care customers and 243,000 employees in these companies or organisations.

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

Visits



\* 2021 includes both physician and nurse appointments to provide a better overall picture. The 2019-2020 figures only describe the physician appointments (2021: 666,300).



During the year, Mehiläinen also carried out important development work on Mehiläinen’s digital services for professionals, which will improve consistency, productivity, professionals’ job satisfaction and customer service.

The growing demand for digital services was also reflected in development needs. During the year, development teams were expanded to respond to the growing customer base for digital services. We recruited more than 60 new experts for digital services in Finland and the BeeHealthy teams.

**Mehiläinen’s pioneering public health care services**

Harjun terveyst, the joint venture of Mehiläinen and the Päijät-Häme Joint Authority for Health and Wellbeing, began operations at the beginning of 2021 with responsibility for social and health centre services in Lahti, Kärkölä and Iitti. The joint venture provides basic outpatient health care, oral health care, direct appointments to physiotherapy and health social work services as well as mental health and substance abuse support services to the residents of the area.

New operating models and digital services have played a key role in the operations of Harjun terveyst from the very beginning. The health centres operate according to the teamwork model developed by Mehiläinen, with a dedicated team allocated to each resident. Digital services are also available to all customers. The new operating models have achieved excellent results in the availability of services and customer satisfaction. Harjun terveyst is also piloting Mehiläinen’s new



digital services, such as for the treatment of chronic diseases. The teamwork model was also adopted at the Mehiläinen health centre that opened in Ruoholahti, Helsinki, in autumn 2021.

In social care services, Mehiläinen continued the development of more personalised service, as residential care services aimed at different resident groups were given individual names and service lines. Through an acquisition, Mehiläinen also expanded its range of services to publicly funded therapy services for children and young people.

**Stable growth and profitability create jobs and wealth**

Mehiläinen’s basic mission is to improve health and well-being 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 international institutional investors.

Mehiläinen’s revenue in 2021 was EUR 1,398.9 million and underlying operating profit before



depreciation and amortisation of intangible assets arising from business combinations, impairments and items affecting comparability (underlying EBITA) EUR 163.6 million. Employee benefit expenses paid by Mehiläinen amounted to EUR 645.5 million, cash based remunerations to private practitioners in Finland were EUR 220.8 million, and other operating expenses were EUR 134.2 million. Interest on loans and other finance expenses totalled EUR 77.2 million and corporate tax paid EUR 19.4 million. Mehiläinen's net profit in 2021 was EUR 24.9 million. Mehiläinen's investments in 2021 amounted to EUR 159.7 million. Mehiläinen did not pay out dividends to its shareholders.

Mehiläinen is also one of the major employers in Finland and an employer in Estonia, Sweden and Germany. We employ more than 29,000 social and health care professionals. In 2021, we created 4,000 new jobs and hired 6,700 new professionals.

Mehiläinen also aims to be a pioneer and forerunner in its industry, thereby encouraging all providers of public and private health and care services to develop a customer-driven approach and improve the effectiveness and cost-efficiency of treatment. Fair and open competition among service providers benefits all of Finnish society.

Mehiläinen's aim is to make the export of health care services, particularly in digital services, its future growth engine and a new export for Finland. In 2021, BeeHealthy, a Mehiläinen subsidiary focusing on internationalisation, took significant steps forward and launched a major contract with Mediclinic, expanding exports of services to two new continents. At the end of 2021, Mehiläinen had

Mehiläinen's tax policy is also published on Mehiläinen's website. Mehiläinen cooperates closely with the authorities through, for example, enhanced customer cooperation with the tax authorities.

10 international service contracts and operations in Finland, Sweden, Estonia and Germany.

### Tax policy and tax footprint

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.

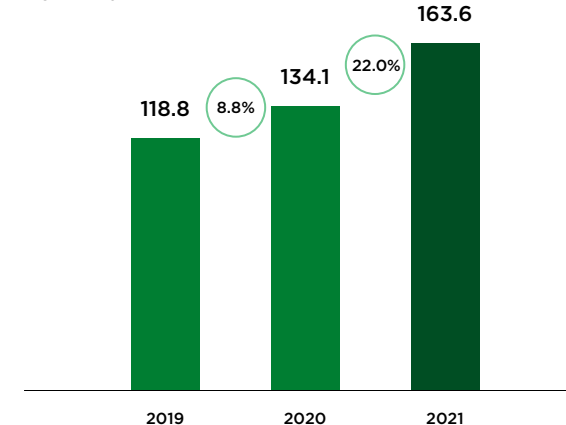
Mehiläinen cooperates closely with the authorities through, for example, enhanced customer cooperation with the tax authorities. This mode of cooperation is an operating model recommended by the OECD for cooperation between large companies and the tax authority. This cooperation model requires, among 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

### Underlying EBITA\*

EUR million

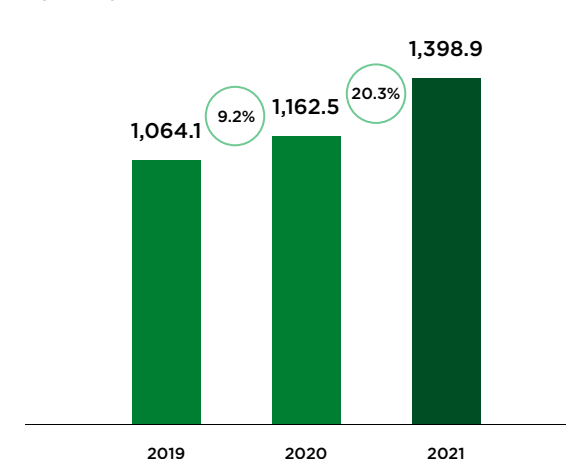


● Change %

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

### Revenue

EUR million



● Change %

its tax information in accordance with legislation and the company's own transparency goals. Mehiläinen requires all employees who work in Mehiläinen's business operations, 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 the country 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 countries where it engages 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.

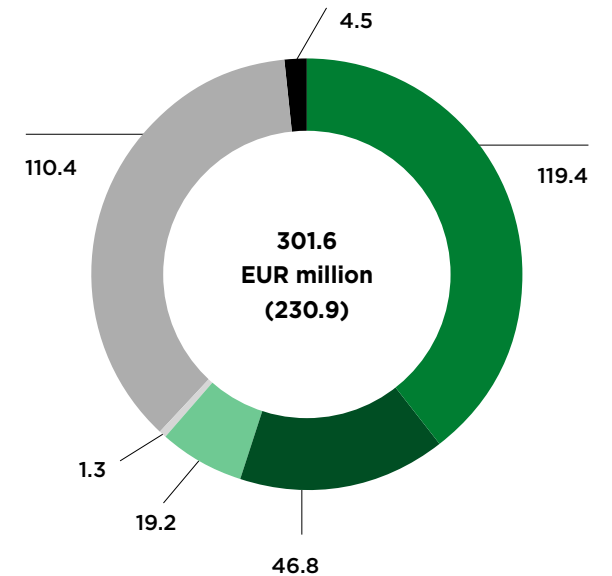
### Mehiläinen's tax footprint

The tax footprint indicates the impact of Mehiläinen on the surrounding society as a payer of taxes and tax-like charges. Mehiläinen's tax footprint report is published annually. This year, for the first time, the impact of new countries of operation will also be published as part of Mehiläinen's tax footprint. Regular tax reporting supports the transparency of taxation.

Mehiläinen's full tax footprint amounted to EUR 301.6 million, consisting of EUR 19.2 million in corporate taxes paid by the company, as well as non-deductible VAT of EUR 46.8 paid on purchases and investments, EUR 4.5 million in VAT, EUR 110.4 million in employer's contributions, EUR 119.4

### Tax footprint

EUR million



- Withholding taxes
- Purchase and investment related VAT which is not deducted
- Paid corporate taxes
- Transfer tax and property tax
- Employer social security payments
- VAT remitted by Mehiläinen

Tax footprint of private practitioners is estimated to be EUR 76.5 million, and it comes on top of the Mehiläinen's tax footprint.

From the Mehiläinen's total tax footprint EUR 287.5 million were collected in Finland and EUR 14.1 million in international businesses.

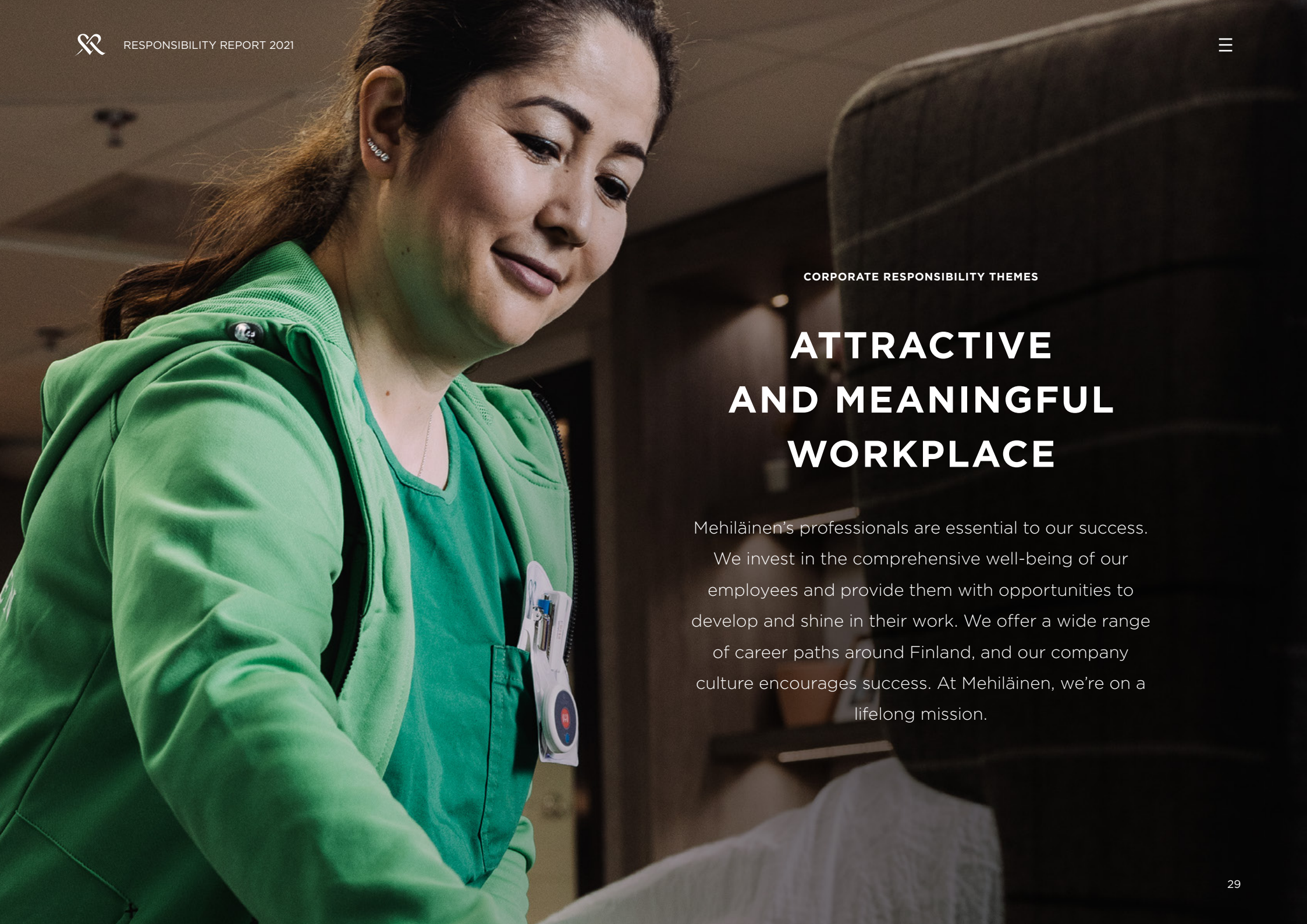
million in taxes withheld from salaries, and EUR 1.3 million in transfer and property taxes. The private practitioners working at Mehiläinen also pay taxes on the remunerations they receive from Mehiläinen, amounting to an estimated EUR 76.5 million.



## Mehiläinen, tax footprint

	2021	2021	2021	2021	2021	2020
	Finland	Estonia	Sweden	Germany	Group, total	Group, total
<b>Taxes payable, EUR million</b>						
Corporate tax	19.2	0.0	0.0	0.0	19.2	13.9
Employer social security payments	104.3	4.5	1.5	0.1	110.4	78.3
Property tax	0.8	0.0	0.0	0.0	0.8	0.8
Transfer tax	0.6					0.4
<b>Taxes payable total, EUR million</b>	<b>124.8</b>	<b>4.5</b>	<b>1.5</b>	<b>0.1</b>	<b>130.9</b>	<b>93.4</b>
<b>Taxes collected, EUR million</b>						
VAT remitted by Mehiläinen	3.8	0.1	0.7	0.0	4.5	2.7
Withholding taxes	115.5	2.6	1.2	0.1	119.4	99.5
<b>Taxes collected total, EUR million</b>	<b>119.2</b>	<b>2.7</b>	<b>1.9</b>	<b>0.1</b>	<b>123.8</b>	<b>102.3</b>
<b>Taxes payable and collected total, EUR million</b>	<b>244.1</b>	<b>7.2</b>	<b>3.4</b>	<b>0.1</b>	<b>254.7</b>	<b>195.6</b>
<b>Other</b>						
Purchase-related VAT not deducted by Mehiläinen	43.4	1.8	1.5	0.1	46.8	35.3
<b>Tax footprint total, EUR million</b>	<b>287.5</b>	<b>9.0</b>	<b>4.9</b>	<b>0.2</b>	<b>301.6</b>	<b>230.9</b>
Private practitioners' tax footprint					76.5	66.8
<b>Taxes total including private practitioners, EUR million</b>	<b>287.5</b>	<b>9.0</b>	<b>4.9</b>	<b>0.2</b>	<b>378.1</b>	<b>297.7</b>





CORPORATE RESPONSIBILITY THEMES

# ATTRACTIVE AND MEANINGFUL WORKPLACE

Mehiläinen's professionals are essential to our success.

We invest in the comprehensive well-being of our employees and provide them with opportunities to develop and shine in their work. We offer a wide range of career paths around Finland, and our company culture encourages success. At Mehiläinen, we're on a lifelong mission.





**M**ehiläinen's goal is to be the most desired workplace for professionals in its industry. In 2021, we again took a number of measures to achieve this goal, especially in terms of Mehiläinen's employer image and employee experience. The efforts made were also reflected in the personnel survey, where Mehiläinen's total index remained at a good level of 3.9/5. Mehiläinen was joined in 2021 by professionals from Sweden, Estonia and Germany. This report focuses on personnel matters mainly within the framework of Finnish regulation. In each country of operation, the subsidiary is responsible for operating in accordance with local regulations with the support of the Group. Reporting will be further developed in this respect in 2022.

During the year, Mehiläinen carried out the extensive On a Lifelong Mission project, focusing on the company's own employees. In this project, we wanted to put the spotlight on Mehiläinen's professionals, who have performed meaningful work for over 110 years, in good times and bad.

### Professionals at Mehiläinen

In 2021, Mehiläinen employed an average of 24,300 professionals and 4,700 private practitioners, of whom 23,300 and 4,700, respectively, worked in Finland. The number of full-time and permanent employees continued to grow in line with the positive trend that began in the previous year, with a substantial increase of 12% year-on-year. The largest personnel groups in Mehiläinen are practical care and nursing staff (71%), physicians (20%) and supervisors and administration

(9%). Fixed-term employees account for 8% of our personnel (2020: 19%).

Our hired employees in Finland are covered by statutory pension security and parental leave benefits. We comply with universally applicable collective agreements and are organised through an employers' union. Our hired professionals are covered by statutory occupational accident and occupational disease insurance. We provide our hired employees with occupational health care services and statutory pension benefits.

### Better understanding of professionals is key to a better employee experience

Since 2019, Mehiläinen has systematically developed personnel reporting and analytics. Knowledge-based management, modeling good leadership, basing personnel decisions on information and a data-driven response to deviations are common practices at Mehiläinen.

In addition to reporting and analytics, we increase our understanding of our personnel through an experience-based set of metrics. In 2021, we carried out several studies that will help us become an even better employer and work community. In the summer, we conducted the first equality survey at Mehiläinen and received responses from more than 1,000 Mehiläinen employees. Based on the survey, we updated the Group's equality and non-discrimination plan, which will guide our operations in the coming years. As one of the measures, we already started using a gender-neutral Finnish term to refer to supervisor in 2021. In cooperation with Seta - LGBTI Rights in Finland, training was organised for Mehiläinen's

professionals in the autumn on how to encounter sexual and gender diversity in customer work.

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 2021, nearly 7,400 Mehiläinen employees responded to the personnel survey, amounting to an excellent response rate of 60%. Employees of the Swedish and Estonian companies were also among the respondents for the first time. In all countries, the survey could be taken in Finnish, English, Estonian and Swedish. In addition, each employee should have a performance review with their supervisor during the year. In 2021, 58% of the respondents reported having participated in a review in the past year. This was a slight decrease, which is why improving



### PERSONNEL GROUPS

<b>20%</b>	Physicians and dentists
<b>71%</b>	Care and nursing staff
<b>9%</b>	Supervisors and administration



the coverage of performance reviews will be highlighted as an important theme for goal-oriented management in 2022.

In 2021, the agenda was strongly focused on developing orientation and recruitment. The development work was carried out through dialogue with the professionals involved in the processes. The main areas of development in 2021 included online learning packages suitable for different professional groups and learner profiles, special consideration of corporate culture and management in acquisitions and change management, and the introduction of the new HR system Workday. The new system aims to improve

the reliability of management and HR processes, the digitalisation of processes and the transparency of processes and practices.

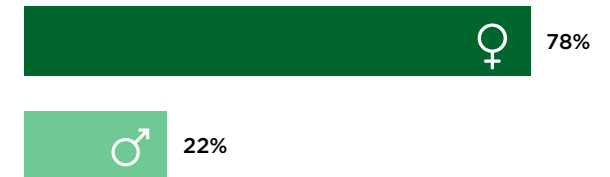
**Good governance and supervisory work are keys to success**

Based on the personnel survey, successful supervisory work is a key prerequisite for good employee experience and satisfaction at Mehiläinen. Good in-person supervisory work also enables improvement of quality and customer experience.

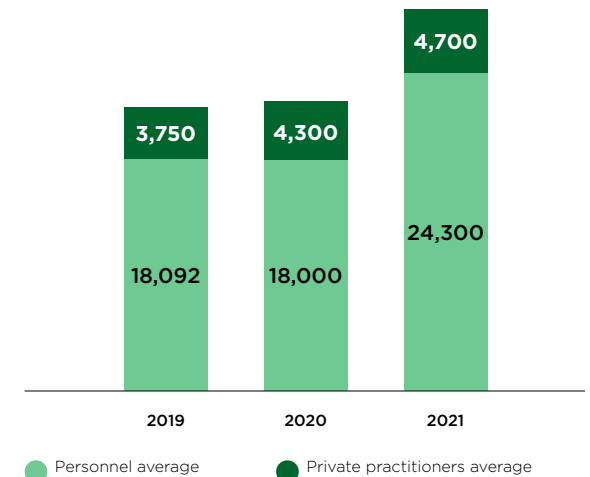
In 2021, we continued the MEE coaching programme designed in cooperation with Aalto EE and aimed at all Mehiläinen supervisors for the third

consecutive year. Some 120 Mehiläinen supervisors and managers from the management team level to team supervisor level participated in the programme over the year. This year, the coaching programme focused more comprehensively on digitalisation and business development. In 2022, the training will be expanded to Mehiläinen’s new countries of operation. In Mehiläinen’s social care services,

**Personnel by sex, %**



**Number of personnel**





training was arranged for supervisors at the service area level as part of quality management work.

For the third year in a row, support measures for leadership and supervisory work resulted in an increase in overall experienced employee satisfaction and employees' experience of supervisory work. In the indices showing the greatest positive development, most of the improvement could be linked to the improved quality of supervisory work. For example, employees were more satisfied with the consistency of supervisory work, equality and acceptance of diversity, as well as the fair distribution of work.

During the year, Mehiläinen's new HR system Workday was deployed throughout the Group. The system provides employees and supervisors with an excellent platform for competence and leadership development, performance management and day-to-day work. The system also increases openness and transparency throughout the organisation and ensures consistent quality in HR processes. The extensive deployment project also challenged the organisation: new operating models and adapting the system to Mehiläinen's needs and operating environment continued throughout the year, posing particular demands on supervisors, as well as HR professionals in their day-to-day work.

### **A workplace for continuous learning and development**

We arranged a total of 10,935 days of training at Mehiläinen in 2021, which amounts to an average of 6 hours per employee, an increase from the previous year. Mehiläinen's own training offering is compiled in the Workday environment and covers more than 500 courses ranging from orientation to

continuing education for personnel. Mehiläinen also acts as a training provider: We provided training for specialising doctors in general practice, occupational health care and several somatic specialties. In an annual survey conducted by the Association of Young Doctors, Mehiläinen's public health centers received a five-star rating as training sites.

In 2021, Mehiläinen also invested in continuous learning within the Group. A key project has been the development and description of career paths available in the company as well as the development of self-service applications to facilitate job rotation. The Workday system also enables the systematic assessment of the skills of professionals and the communication of development and learning needs and wishes to supervisors.

With the adoption of the new Workday system, employees were encouraged to communicate their own skills and qualities to promote their career development, ensure a better customer experience and utilise their expertise in the work community. During the first round, employees reported a total of over 30,000 skills or competencies to the HR system through Workday. Information was reported by employees, ranging from the latest recruits to Mehiläinen's top management.

### **Our goal is a professional who enjoys and is committed to their work**

Mehiläinen's corporate responsibility programme aims to reduce personnel turnover. Turnover is considered to be a good indicator of job satisfaction, occupational well-being and the commitment of professionals to the organisation. Over the year, we continued a number of measures

to reduce turnover, and the overall personnel turnover decreased by 16.5% (2020: 17.2%). The reduced turnover can be considered significant, as there were reports of decreased employee loyalty in the industry as a result of labour shortages and increased opportunities for changing jobs. In Mehiläinen's largest personnel groups, turnover in 2021 was 19% among practical nurses (2020: 20%), 16% among nurses (18%) and 10% among physicians (5%).

During the year, we provided considerable support to supervisors and employees working remotely due to COVID-19. Remote workers were invited to participate in surveys concerning well-being and ergonomics at work, complemented by targeted surveys based on the results. Actions were derived from these to improve well-being. Mental well-being services were also offered at a low threshold to improve well-being, especially due to the increase in F diagnoses for employees working remotely.

The number of full-time Mehiläinen employees increased in 2021. We hired approximately 6,700 employees during the year. The total personnel number in Finland increased by about 4,000 and the number of full-time equivalents (FTE) grew by approximately 1,000. An intended change has also taken place in the personnel structure, as the proportion of fixed-term employment contracts decreased during the year by more than 50%.

Each year, we reward a large number of professionals for excellent performance. In 2021, more than 200 professionals and teams around the world were awarded as star performers.

### Comprehensive and high-quality occupational health care services

Occupational health care services for the employees are arranged following good occupational health care practice and data protection. The occupational health care contract is extensive and includes, in addition to statutory activities, medical care, specialist consultations, digital services and a comprehensive mental well-being service package. Occupational health care services are available to all Mehiläinen employees with an employment contract. Mehiläinen’s private practitioners are not employees, and are therefore not covered by occupational health care. As entrepreneurs, they arrange their own occupational health care.

The Group’s occupational health action plan describes the objectives, operating model and content of occupational health care activities. Local occupational health teams convene the supervisors and update the unit-specific action plans annually. Cooperation between the company and occupational health care services is supported by the ERP system for the management of work ability, including its digital solutions. Occupational health services financed by the employer are complemented by employee benefits that support occupational well-being.

### Goal-oriented management of working ability

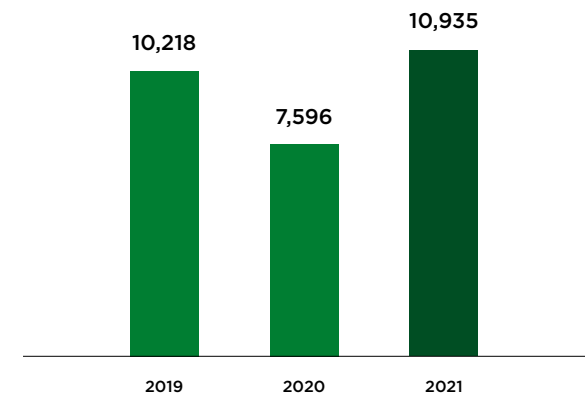
The management of working ability aims to ensure the safety of work environments and smooth day-to-day operations, promote employee’s occupational well-being, and manage disability risks and risk costs. Measurable and centrally managed

goals have been set for the management of working ability. The occupational health and safety managers of the business lines coordinate the occupational health and safety cooperation in their area together with the supervisors and personnel representatives.

The management of personnel risks requires interaction between supervisors, occupational safety and health personnel and HR management in cooperation with occupational health care, pension companies and accident insurance companies. An occupational well-being programme is drawn up for each business area, including the occupational health and safety action plan referred to in the Occupational Safety

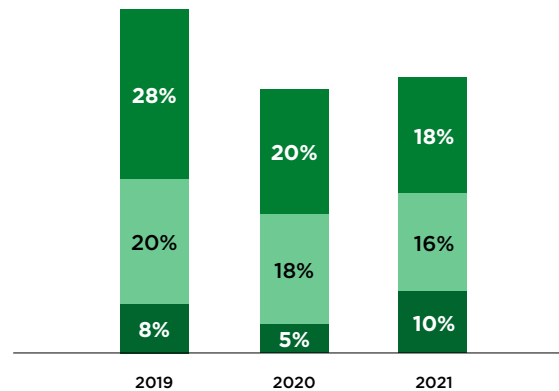
### Training days

Amount



### Personnel turnover

%

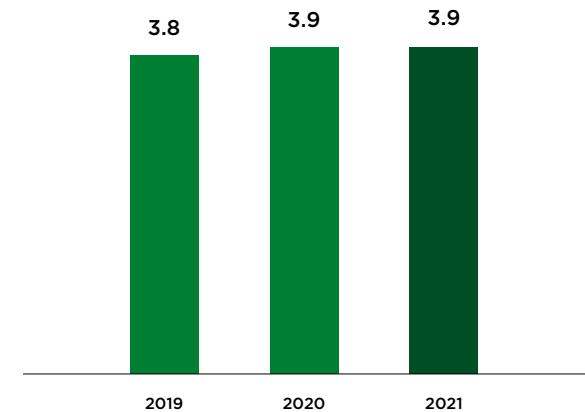


● Practical nurses ● Nurses ● Physicians

Because of the new HR system, the data by occupational group is more standardized and accurate, and the 2021 figures are not fully comparable with the 2019-2020 figures.

### Total index for personnel survey

Scale 1-5



and Health Act. The programme sets out goals and practices for the management of personnel risks, occupational health and safety activities, and activities that maintain employees' work ability, and provides a framework for their implementation.

Occupational health and safety cooperation is integrated into the business and management. Occupational safety and health issues that concern everyone are handled through representative cooperation in the occupational well-being groups of the business areas and include the statutory activities of occupational safety and health committees. Regional activities are coordinated by the occupational health and safety managers appointed by business area. Local occupational health and safety issues are handled at workplaces in cooperation with supervisors and personnel.

### Risk assessment and investigation of accidents

Identification of the hazards and adverse effects of work as well as risk assessment are carried out at the workplace together with the personnel representatives on an annual basis. Risk assessment is used to determine the working conditions, stress factors and possible hazards or risk factors at the location. The assessment is self-monitoring that aims to identify and prevent accidents and hazardous situations and support well-being at work. Other sources of information, such as the results of the personnel survey and workplace surveys, are also used in the assessment of occupational safety risks. All near misses and occupational safety hazards are to be recorded in the ERP system. Occupational accidents and commuting accidents are reported

and investigated in accordance with the Group's guidelines. The significance of any irregularities is assessed and corrective measures at the workplace are agreed under the lead of the supervisor.

Regional and unit-specific occupational safety representatives play an active role in local occupational health and safety cooperation. Occupational health and safety activities in the business areas are coordinated by the business lines' own occupational health and safety managers.

### Effective management of working ability in 2021

Significant results were achieved in 2021 in the management of disability cases and risk costs due to accidents. Although the number of employees increased, the number of occupational accidents decreased by 16% and the number of days of incapacity for work caused by accidents decreased by 50%. The incidence of accidents in Finland was 5.2 per 100 employees.

The positive development stems partly from increased communication and training, but above all from close cooperation between supervisors, HR and occupational health care. Individual support, tailored work arrangements and extensive workplace rehabilitation for employees involved in accidents have shortened absence periods and sped up return to work. In 2021, Mehiläinen adopted a new case management model to provide enhanced support, treatment and guidance for persons who have sustained an accident. The aim is to ensure a smooth treatment path and a quick return to work after an accident.

Work ability risks and risk costs were managed successfully during the year. Early identification

and follow-up of persons at risk of losing their work ability intensified, and persons at risk of premature retirement were given appropriate support in a timely manner. Partial disability pension arrangements were successfully made and more employees were relocated. The trend in the earnings-related contribution category continued to be positive and the costs of premature retirement can be regarded as well under control. Despite the increase in the number of employees, the number of disability and partial disability pensions decreased and the pension expenditure cost of disability pensions decreased significantly.

The total number of employees' sickness-related absences decreased to 5.3% from 5.6% in the previous year. The mental health well-being support models provided by occupational health care were developed to prevent mental health disorders and the resulting absences, and services were expanded to manage mental health challenges. In order to reduce the number and duration of sickness-related absences, early support was increased, light and alternative work models were activated, workplace rehabilitation was improved for persons with a work ability risk, and tailored solutions were increased to support work ability.

In August, Mehiläinen participated in a project of the Olympic Committee and sports organisations to assess the investment of Finnish workplaces in personnel sports, health and functional capacity. Mehiläinen received the Finland's Most Active Workplace certificate for the effective promotion of employee well-being in recognition of successfully implemented actions to support the occupational well-being and physical activity of its personnel.



# INTERNATIONAL RECRUITMENT STARTED IN 2021

**FOUNDED IN 2020**, Heathcare Staffing Solutions (HSS) is Mehiläinen's wholly owned subsidiary. HSS recruits and trains staff for the needs of the health care sector in cooperation with its partners. In 2021, the professionals to come to Finland through HSS were primarily trained as care assistants.

Mehiläinen founded HSS with the aim of solving the growing need for personnel in the social and health care sector. More skilled professionals are needed in Finland to provide the elderly with high-quality care now and in the future. Through international recruitment, we are making a sustainable contribution to finding solutions to the labour shortage.

Staff coming to Finland through HSS will work in Mehiläinen's own units and at our partners. The care assistants working in Mehiläinen's own units are Mehiläinen employees. The personnel information and employee benefits and practices reported in this report also include staff recruited through HSS.

HSS' training and recruitment activities are different in nature from Mehiläinen's other business activities. Compared to recruitment in our countries of operation, international recruitment requires a

different kind of attention to issues such as human rights. A more detailed assessment of corporate responsibility issues will be carried out in HSS during 2022.

## Recruitment and training

The training model developed by HSS, which uses the services of partners, makes it possible to recruit and train social and health care professionals and bring them to Finland from anywhere in the world. The vocational social and health care training is carried out in cooperation with a Finnish education provider in accordance with the training requirements for care assistants. HSS is responsible for arranging language studies using its own digital learning platform. During the training, students take the language proficiency tests required to work as a social and health care professional in accordance with the European CEFR framework.

We recruit the students ourselves and do not use subcontractors for recruitment. The training is free of charge for the students. This allows us to make sure that we know the persons to be recruited, ensure that the recruiting criteria are met and prevent the risk of human trafficking. We do not require students to have a previous degree in the field, as we provide them with care assistant training from scratch. In this way, we prevent the recruitment of trained professionals for less qualified work in the target country.

## Working and orientation in the target country

Once the participants arrive in Finland, they will complete their training as care assistants through

We recruit the students ourselves and do not use subcontractors for recruitment. The training is free of charge for the students. This allows us to ensure that the recruitment criteria are met and mitigates risks.

competence demonstrations and can then work in that role. The participants are given the opportunity to study further in order to qualify as a practical nurse at a partner educational institution, for example. After graduation, the participants will work in Finland as social and health care professionals and will be covered by the Finnish collective agreement on the same employment terms as professionals recruited in Finland. The workers, who are mainly from the Philippines, are awarded a fixed-term employment contract as required by Philippine law.

HSS is responsible for the integration of the incoming employees into Finland by taking care of the practical matters required for settling in a new country, such as housing, telephone, taxes and banking, and orientation to their new residential area. HSS also helps the employees with any problems.



CORPORATE RESPONSIBILITY THEMES

# SUSTAINABLE DEVELOPMENT AT MEHILÄINEN

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





In 2021, the increasingly international Mehiläinen strengthened the Group's operational control. All of Mehiläinen's guiding policies and its Code of Conduct were updated with the approval of the Group's Board of Directors to better meet the needs of an international group. A new financial policy and anti-fraud policy were created at the same time.

### High data security is the basis of all of Mehiläinen's operations

Information security, the safety of patient data and confidentiality form the critical basis of Mehiläinen's operations. The level of information security protocols concerning data connections, encryption, user identification, applications and expertise at Mehiläinen are as high as possible. We apply various measures that guarantee the company's high level of data security. Connections to Mehiläinen's systems are tested regularly by an external data security company.

In 2021, we increased our investments in information security in all areas and organised the first bug bounty programme for external information security experts. The aim of the programme was to detect security gaps in Mehiläinen's systems. Mehiläinen also used a training game aimed at employees, intended to develop their ability to identify phishing attempts and to react to and report on them.

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 2021, we reported 18 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 data centres. In public-sector services, we follow the client's policy. Particular attention is also paid to data security in the context of business transactions.

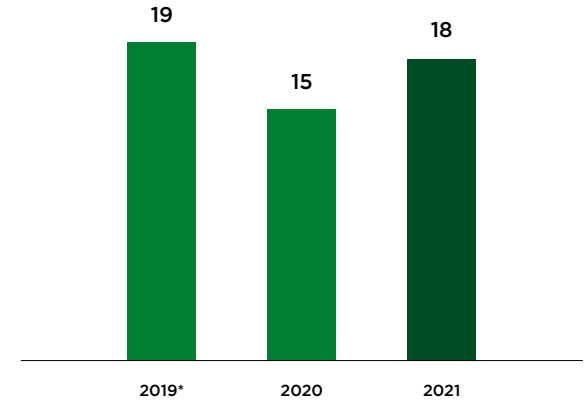
We comply with the EU General Data Protection Regulation, the current legislation and the guidelines regarding the processing of personal data issued by authorities. Data security risk management is part of Mehiläinen's overall risk management efforts. We monitor the risks related to our activities regularly and systematically and develop our activities on an ongoing basis.

### Responsible and sustainable procurement

Procurement is a centrally managed activity at Mehiläinen. Mehiläinen's procurement organisation negotiates product and service agreements for all business lines. Procurement is developed in close cooperation with the businesses to ensure

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

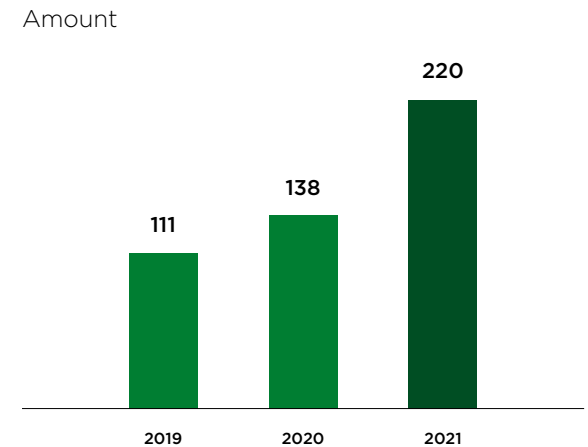
Incidents



\* May-December

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

Amount





that the purchased products and service support Mehiläinen's own wide range of services in the best possible way. In 2021, Mehiläinen's activities expanded beyond the borders of Finland; consequently, the supplier selection process and selection criteria will be developed to take international requirements into account.

The procurement policy is based on Mehiläinen's strategy and values: we implement a responsible and open procurement policy. The procurement policy was updated in spring 2021, taking into account Mehiläinen's international operations and the responsibility requirements for suppliers set out in the updated Supplier Code of Conduct. The goal of procurement activities is a unified supplier and product portfolio, responsible partners, high-quality products and services at competitive rates and a smooth procurement process. The procurement team actively monitors the activities of the suppliers and changes in the market and organises tendering for products and services regularly. Supplier assessment, approval and monitoring are constantly being developed to ensure high quality products and services and to improve security of supply. Mehiläinen's suppliers and supply chains play an important role in fulfilling Mehiläinen's own responsible business requirements.

### Supplier code of conduct strives sustainability in procurement

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. Logistics and goods deliveries are also optimised with the suppliers, thereby also reducing the environmental impact. Mehiläinen's Supplier Code of Conduct has been signed by 220 suppliers. In 2021, 81% of the centralised procurement volume suppliers were committed to Mehiläinen's responsibility requirements, which means an increase of more than 10 percentage points from the previous year.

Mehiläinen carries out regular supplier assessments to evaluate the collaboration and suppliers' performance and responsibility. Suppliers in business-critical categories are also audited regularly. In 2021, 144 suppliers were assessed, with a response rate of 95%. The assessment was implemented as electronic self-assessment, and responses were reviewed and scored. In 2021, Mehiläinen audited suppliers whose activities or products involved manufacturing country risks or

Mehiläinen's aim is to reduce its carbon footprint relative to revenue for direct emissions by 3% compared to the previous year, at least until 2025.

category risks. Suppliers' risk assessments were also used to determine the probability and impact of risk materialisation.

### 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 develop our operations to decrease the amount of waste disposed of and paper used, consume less energy and reduce the environmental impact of travelling. We take into account the environmental effects of business, implement a responsible procurement policy and establish work processes and methods in a way that reduces environmental load. 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. In 2021, attention was paid during auditing to the maintenance and monitoring of environmental plans in the units. In 2022, the aim is to make environmental actions and their impacts visible through means such as monitoring data.

**Mehiläinen aims for a smaller carbon footprint**

In 2021, Mehiläinen carried out a calculation of the Group’s carbon footprint with the help of an external expert. This involved calculation of the Group’s direct (scope 1 and scope 2) and indirect (scope 3) emissions. Mehiläinen’s aim is to reduce its carbon footprint relative to revenue for direct emissions by minimum 3% compared to the previous year, at least until 2025. Mehiläinen

is also committed to this reduction target as part of its financing agreement. The carbon footprint calculation provides an excellent opportunity to identify emissions reduction targets not just in relation to the commitment but also for Mehiläinen’s indirect emissions.

Mehiläinen’s carbon footprint relative to revenue decreased by six percent compared to 2020. The increase in the Group’s direct emissions in 2021 compared to the previous year was brought by the growth of mobility and thus motoring, increase in the number of cars with the expansion of the business as well as the colder winter conditions than 2020, which increased the need for heating. Direct emissions were reduced by switching to carbon-neutral district heating in 30 social service units.

**Mehiläinen’s carbon footprint**

tonnes (tCO <sub>2</sub> )	2020	2021
Scope 1	4,210	6,051
Scope 2	2,454	1,449
Scope 3	65,618	76,061

CO<sub>2</sub> emissions total

**59.7**

tCO<sub>2</sub>e / MEUR

**Total emissions in relation to turnover decreased 6 percent from 2020**

**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 care services and child welfare services, accounting for 80% of the Group’s total energy consumption. Data transfer capability was set up in 2021 in the Group-level energy consumption system to enable the development of internal energy reporting.

In all new building projects in social care services, geothermal heat has been chosen as the primary heating system. In information management, we continued to move Mehiläinen’s service production from traditional data centre



production to energy-efficient and thus more environmentally friendly production facilities.

The electricity consumed by Mehiläinen is acquired through the guarantee of origin system and is produced from 100% renewable sources. In most of the social care services premises, heating is provided by district heating, which is produced locally using a large variety of production methods. A total of 30 sites have moved to carbon-neutral district heating during the year 2021.

**Electricity and heat consumption**

	Mehiläinen Group, total MWh		In relation to turnover MWh/mEUR	
	2020	2021	2020	2021
Electricity consumption	33,741	37,421	29,024	27,485
Heating energy	20,050	23,727	17,248	17,427

**Waste management at Mehiläinen**

The share of mixed waste increased in 2021. One of the main reasons was the transition of disposable protective equipment from energy to mixed waste in some units. The social care service units drew up unit-specific waste plans as part of their environmental plans. We aim to develop our operations to decrease the amount of waste disposed of and paper used. At the Group level, we support individual responsibility by providing information, training and tools to promote environmental issues.

**Distribution of municipal waste 2021**

Mixed waste	48%	654.28 t
Biowaste	16%	218.48 t
Waste paper	7%	97.02 t
Carton	7%	95.87 t
Cardboard	6%	77.22 t
Energy	3%	46.58 t
Packaging plastic	2%	14.28 t
Other	9%	130.10 t
<b>Total</b>		<b>1,369.79 t</b>

**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 supervisor, 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

In most of the social care services premises, heating is provided by district heating, which is produced locally using a large variety of production methods. A total of 30 sites have moved to carbon-neutral district heating during the year 2021.

or behaviour that is non-compliant with the Code of Conduct or illegal. All contacts via the whistleblowing channel are handled confidentially in the risk management team. In 2021, a total of seven notifications were received through the whistleblowing channel.



# REPORTING PRINCIPLES

**42** General reporting principles

**43** GRI index

REPORTING PRINCIPLES

# GENERAL REPORTING PRINCIPLES

**T**his report covers our activities in the calendar year 2021. Reporting covers all the business areas in the Mehiläinen Group and all countries of operation, unless otherwise specified. The report provides information on the most material responsibility topics. Ethical guidelines and the Code of Conduct 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 health care 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, has been verified by Ernst & Young Oy. Mehiläinen's

management team and the Audit Committee of the Board of Directors have approved the corporate responsibility report. Our corporate responsibility report has not been externally verified.



## REPORTING PRINCIPLES

# GRI INDEX

GRI Standard	Content	Location 2021	Notes 2021
<b>GRI 102: General Disclosures</b>			
<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; CEO's summary p. 5	
102-7	Scale of the organisation	Mehiläinen in brief p. 6; Innovator and agile developer pp. 24-26, Attractive and meaningful workplace p. 30	
102-8	Information on employees and other workers	Mehiläinen in brief p. 6; Attractive and meaningful workplace pp. 30-31	
102-9	Supply chain	Sustainable development at Mehiläinen pp. 36-39	
102-10	Significant changes to the organisation and its supply chain	CEO's summary p. 4; Events and highlights p. 7	
102-11	Precautionary principle of approach	Mehiläinen's corporate responsibility management approach p. 15	
102-12	External initiatives	Mehiläinen's corporate responsibility programme p. 10; UN sustainable development goals pp. 11-13	
102-13	Membership of associations	Mehiläinen's corporate responsibility and stakeholders p. 14	
<b>Strategy</b>			
102-14	Statement from senior decision-maker	CEO's summary pp. 4-5	
102-15	Key impacts, risks and opportunities	Mehiläinen's corporate responsibility programme p. 10; UN sustainable development goals pp. 11-13; Pioneer in quality treatment and care pp. 17-22; Innovator and agile developer pp. 23-27	

GRI Standard	Content	Location 2021	Notes 2021
<b>Ethics and integrity</b>			
102-16	Values, principles, standards and norms of behavior	Mehiläinen in brief p. 6; Innovator and agile developer pp. 24–25	
102-17	Mechanisms for advice and concerns about ethics	Sustainable development at Mehiläinen p. 40	
<b>Governance</b>			
102-18	Governance structure	Mehiläinen's corporate responsibility management approach p. 15	
<b>Stakeholders' engagement</b>			
102-40	List of stakeholder groups	Mehiläinen's corporate responsibility and stakeholders p. 14	
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	Stakeholders from the perspective of corporate responsibility p. 14	
102-43	Approach to stakeholder management	Stakeholders from the perspective of corporate responsibility p. 14	
102-44	Key topics and concerns raised	Stakeholders from the perspective of corporate responsibility p. 14	
<b>Reporting practice</b>			
102-45	Entities included in the consolidated financial statements	Report of the Board of Directors and Financial Statement 2021: Notes to the consolidated financial statements pp. 73–75	
102-46	Defining report content and topic boundaries	Mehiläinen's corporate responsibility programme p. 10; Reporting principles p. 42	
102-47	List of material topics	Mehiläinen's materiality analysis p. 9; Reporting principles p. 42	
102-48	Restatements of information	Reporting principles p. 42	No restatements
102-49	Changes in reporting	Reporting principles p. 42	No significant changes
102-50	Reporting period	Reporting principles p. 42	1.1.–31.12.2021
102-51	Date of most recent report	GRI index	19.2.2021
102-52	Reporting cycle	GRI index	Sustainability reporting has been conducted annually since 2020.
102-53	Contact point for questions regarding report	Contact information p. 47	
102-54	Claims for reporting in according with the GRI standards	Contents p. 2	
102-55	GRI content index	GRI index pp. 43–45	
102-56	External assurance	Reporting principles p. 42	

GRI Standard	Content	Location 2021	Notes 2021
<b>Management approach</b>			
<b>GRI 103: Management approach 2016</b>			
103-1	Explanation of the material topics and its boundary	Corporate responsibility pp. 9–10	
103-2	The management approach and its components	Corporate responsibility management p. 15; Pioneer in quality treatment and care pp. 18–22; Innovator and agile developer pp. 24–27; Attractive and meaningful workplace pp. 30–35; Sustainable development at Mehiläinen pp. 37–40	
103-3	Evaluation of the management approach	Mehiläinen's corporate responsibility management approach; Pioneer in quality treatment and care pp. 18–22; Innovator and agile developer pp. 24–27; Attractive and meaningful workplace pp. 30–35; Sustainable development at Mehiläinen pp. 37–40	
<b>Economic performance</b>			
<b>GRI 201: Economic performance 2016</b>			
201-1	Direct economic value generated and distributed	Mehiläinen in brief p. 6; Innovator and agile developer pp. 25–26; Report of the board of directors and financial statements 2021 pp. 30–35	
<b>Indirect economic impacts</b>			
<b>GRI 203: Indirect economic impacts 2016</b>			
203-2	Significant indirect economic impacts	Innovator and agile developer pp. 24–25; Annual report: International Mehiläinen, pp. 23–24; Mehiläinen in Finland, pp. 28–42	
<b>Anti-corruption</b>			
<b>GRI 205: Anti-corruption 2016</b>			
205-3	Confirmed incidents of corruption and actions taken	GRI index	No incidents of corruption in 2021
<b>Tax</b>			
<b>GRI 207: Tax 2019</b>			
207-1	Approach to tax	Innovator and agile developer pp. 26–28	
207-2	Tax governance, control and risk management	Innovator and agile developer pp. 26–28	
207-3	Stakeholder engagement and management of concerns related to tax	Mehiläinen's stakeholders from the perspective of corporate responsibility p. 14; Innovator and agile developer p. 26	
207-4	Country-by-country reporting	Innovator and agile developer pp. 26–28	



GRI Standard	Content	Location 2021	Notes 2021
<b>Employment</b>			
<b>GRI 401: Employment 2016</b>			
401-1	New employee hires and employee turnover	<b>Attractice and meaningful workplace pp. 30-35</b>	
<b>Training and education</b>			
<b>GRI 404: Training and education 2016</b>			
404-1	Average hours of training per year per employee	<b>Attractice and meaningful workplace p. 32</b>	We arranged a total of 10,935 days of training at Mehiläinen in 2021, which amounts to an average of 6 hours per employee, an increase from the previous year.
404-2	Programs for upgrading employee skills and transition assistance programs	<b>Attractice and meaningful workplace pp. 31-32</b>	
404-3	Percentage of employees receiving regular performance and career development reviews	<b>Attractice and meaningful workplace p. 30</b>	
<b>Waste</b>			
<b>GRI 306: Waste 2020</b>			
306-3	Waste generated	<b>Sustainable development at Mehiläinen p. 40</b>	
<b>Supplier environmental assessment</b>			
<b>GRI 308: Supplier environmental assessment 2016</b>			
308-1	New suppliers that were screened using environmental criteria	<b>Sustainable development at Mehiläinen pp. 37-38</b>	
<b>Supplier social assessment</b>			
<b>GRI 414: Supplier social assessment 2016</b>			
414-1	New suppliers that were screened using social criteria	<b>Sustainable development at Mehiläinen pp. 37-38</b>	
<b>Mehiläinen's own indicators</b>			
<b>Own indicator</b>	NPS (Net Promoter Score) in private and public health care services	<b>Pioneer in quality treatment and care p. 18</b>	
<b>Own indicator</b>	Quality index of care services for the elderly	<b>Pioneer in quality treatment and care p. 18</b>	
<b>Own indicator</b>	Access to care in Mehiläinen's public health care centres	<b>Pioneer in quality treatment and care p. 19</b>	



## 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.



**Marina Lampinen**  
Director of Public Affairs and  
Corporate Responsibility  
[marina.lampinen@mehilainen.fi](mailto:marina.lampinen@mehilainen.fi)

Pohjoinen Hesperiankatu 17 C

00260 Helsinki, Finland

[mehilainen.fi/en](http://mehilainen.fi/en)

