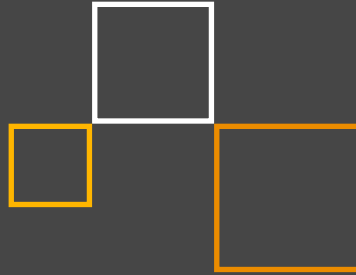


Transparency Report

1 July 2020–30 June 2021



Reg. Domicile Helsinki
Business ID 0486406-8
PricewaterhouseCoopers Oy

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Introduction

We publish our transparency report under the EU Audit Regulation. In this report we provide information on our company and describe how we ensure our quality in audits and other assurance engagements.

Our purpose is to build trust in society and solve important problems. We are part of the global PwC network of firms in 156 countries with more than 295,000 people. We are committed to a strong culture of quality and excellence that is core to our purpose.

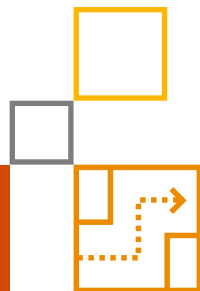
Mikko Nieminen
CEO
PricewaterhouseCoopers Oy



PricewaterhouseCoopers Oy is a Finnish company established in 1954, and it has the status of an audit firm. The services of our firm include management consultancy services, transaction services, tax and legal services, risk management services as well as audit and other assurance services.

This transparency report for our financial year ended 30 June 2021 has been prepared by virtue of the EU Audit Regulation No 537/2014, and the information included in it is as of the end of the financial year. This report together with its appendices includes the information required in Article 13 of the Regulation. The report is an important part of our communication with our clients, their boards and management as well as with investors, regulators and our other stakeholders.

Strategy and leadership



The strategy of our audit and other assurance services (Assurance) has been created to respond to the challenges and opportunities of the future. Our annual planning serves as a tool to ensure that we are making the progress needed to deliver high quality services to our clients and meet the requirements of our stakeholders. Our leadership structure supports the achievement of our strategic goals.

Inherent in the purpose of our operations (Purpose) and in our Assurance strategy is our commitment to audit quality. Delivering quality audits is the cornerstone of our business and key to maintaining the confidence of investors and other stakeholders.

The Management Team of the Assurance line of service includes partners who lead our audit business in various regions and business units.

In Assurance, there is also a Quality Office responsible for the development of

audit quality, consisting of persons who have key roles in monitoring the implementation of initiatives for continuing development of our System of Quality Management (SoQM) and audit quality. Management team members and Quality Office members are available to support engagement leaders in making key decisions that have quality implications.

Discussions related to quality occur regularly, at partners and other staff meetings among other things. In these discussions, we focus on what we are doing well, and where we can continue to make enhancements.

We expect our partners and other staff to exhibit the core values in their actions: Act with integrity, Make a difference, Care, Work together, and Reimagine the possible. Our values are communicated in our firm by our Territory Senior Partner, by the Management Team of the Assurance line of service and by the Quality Office. These messages are reinforced by engagement leaders in their daily activity.



Governance and organisation

GOVERNANCE

PricewaterhouseCoopers Oy ('PwC Finland') is governed by effective legislation, the Articles of Association, and industry specific rules, guidelines and recommendations. The objective of our corporate governance principles is an open and transparent management style.

The governance bodies of PwC Finland are the Annual General Meeting, Board of Directors and Chief Executive Officer supported by the Territory Leadership Team, as well as the Equity Partner and Partner Meetings, Partners Committee and Nomination Committee. Governance policies are outlined in the charter of each governance body. In this report, references to leadership should be read as referring to operative leadership.

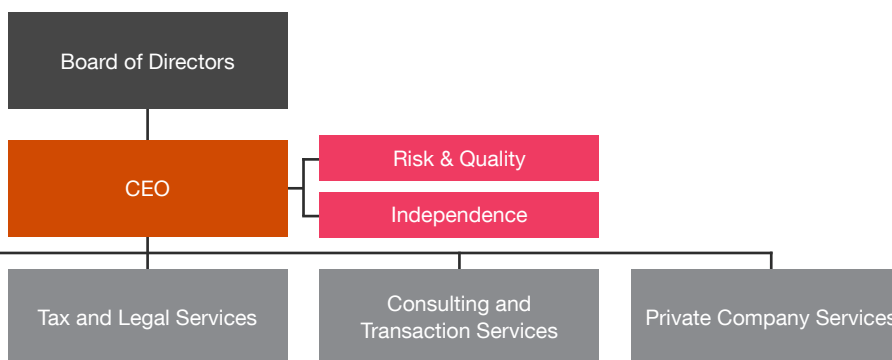
The Annual General Meeting

The Annual General Meeting ('AGM') is held by the end of December each year. The AGM makes decisions required by the Limited Liability Companies Act to be made by the AGM, and decides on the remuneration of the members of the Board of Directors and fees paid to the auditors. In addition, the AGM determines the fair value for the company's share, which is used in purchases and sales of shares in the following year.

In accordance with the Articles of Association, the AGM elects annually the Board of Directors, its Chair and, where needed, a Vice chair. The Board of Directors has a minimum of five and a maximum of nine ordinary members. Their term ends at the next AGM.

Board of Directors

The Board of Directors ('The Board') is responsible for the company's governance and for appropriate organisation of its operations. The Board is also responsible for the appropriate organisation of the supervision of the company's financial accounts and asset management. The Board also approves the company's strategy, business plan and budget and monitors their implementation. The Board appoints the Chief Executive Officer ('CEO') and approves the appointment of the line of service leaders and



other members of the Territory Leadership Team. The CEO or other separately agreed person presents the matters to be discussed in the Board.

The majority of the members of the Board and any deputies, and the Chair and any Vice chair are auditors employed by the company.

In the financial year ended, the AGM of PwC Finland was held on 28 October 2020. Until the AGM, Ylva Eriksson (KHT), Markku Katajisto (KHT), Merja Lindh (KHT), Janne Rajalahti (KHT), Simo Valtti, Kimmo Vilske and Martti Virolainen were members of the Board.

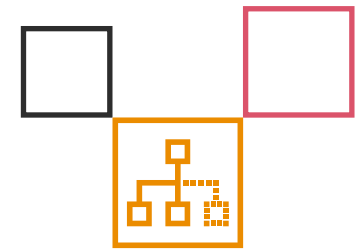
At the AGM of 28 October 2020, Markku Katajisto (KHT), Merja Lindh (KHT), Samuli Perälä (KHT), Janne Rajalahti (KHT), Simo Valtti, Kimmo Vilske and Martti Vi-

rolainen were elected as members of the Board. The AGM elected Janne Rajalahti (KHT) as the Chair of the Board.

The Board convened 17 times during the financial year and, in addition, took decisions once without convening. The Board assesses its performance and working practices annually as a self-assessment.

CEO

The CEO is responsible for the management of the company, the execution of the strategy and development of business in accordance with the instructions and orders of the Board. The Territory Leadership Team supports the CEO. Starting from 1 July 2015, Mikko Nieminen (KHT) has acted as the CEO of the company.



Starting from December 2015, Mikko Nieminen has also acted as Territory Senior Partner ('TSP'), elected by the Equity Partner Meeting, who represents the company and the Equity Partners in the PwC network.

Territory Leadership Team

The primary task of the Territory Leadership Team is to assist the CEO in operative management and in executing the decisions of the Board. It has no authority based on law or the Articles of Association. The Territory Leadership Team guides and develops the company's operations in order to achieve the strategic objectives.

At the end of the financial year on 30 June 2021, members of the Territory Leadership Team were Markku Hakkarainen, Pasi Karppinen, Marko Korkiakoski, Kimmo Nieminen, Kauko Storbacka, Hannu Suonio, Kati Tammi-lehto, and Leena Tiensuu. The CEO Mikko Nieminen acts as the Chairman of the Territory Leadership Team. The Territory Leadership Team convened 23 times during the financial year.

Partners

PwC Finland is owned by professionals working in the company. The rights and responsibilities of the Equity Partners are defined in the Finnish Limited Liability Companies Act, the Articles of Association and the Equity Partner Agreement.

In addition to shareholders, i.e. Equity Partners, there is another class of partners: Associated Partners. The rights and responsibilities of Associated Partners are determined on the basis of the Partner Agreement. In Equity Partner and Partner Meetings, Equity Partners and Associated Partners participate in decision-making concerning issues referred to in the Equity Partner Agreement and in the Partner Agreement.

At the end of the financial year, there were a total of 92 partners in the company, of whom 47 were Equity Partners and 45 Associated Partners.

Partner Committee

The task of the Partner Committee is the preparation of issues relating to the remuneration of partners and partner policy and structure for the Board. The Partner Committee consists of the Chair of the Board, the CEO/TSP, the Chair of the Nomination Committee and two members elected by the Board from among themselves, who represent the partners as extensively as possible.

The Chair of the Board acts as the Chair of the Partner Committee. The members of the Partner Committee are not separately elected, except for the members elected by the Board from among themselves, but serving on the Partner Committee is considered part of the larger job description in the tasks mentioned.

At the end of the financial year, members of the Partner Committee were Janne Rajalahti (Chair), Mikko Leinola, Mikko Nieminen, Simo Valtti and Kimmo Vilske.

Nomination Committee

It is the task of the Nomination Committee to prepare a proposal for the AGM on the number and identity of candidates for the Board, and the identities of the Chair and any Vice chair.

The Equity Partner Meeting elects four Equity Partners to the Nomination Committee; of these, one is elected as Chair and one as Vice chair. The Chair or members of the Board or the CEO/TSP cannot be members of the Nomination Committee. A member of the Nomination Committee cannot be a member of the Territory Leadership Team. The term of office of the members of the Nomination Committee lasts from one Equity Partner Meeting to the second next Equity Partner Meeting held in connection with the AGM, unless decided otherwise.

At the end of the financial year, members of the Nomination Committee were Mikko Leinola (Chair), Mikael Guarnieri, Mika Kaarisalo and Netta Mikkilä.

Basis for remuneration of partners

A reward scheme adopted by the Equity Partner Meeting is adhered to in the remuneration of partners, and its basic principles are similar throughout the

entire PwC network. The Partner Committee decides on any changes to the reward scheme, and major changes are brought before the Board and the Equity Partner Meeting for approval.

The Partner Committee decides on the remuneration of partners. The Board decides on the remuneration of the members of the Partner Committee.

The partners are divided into different classes according to experience, skills and roles, and the reward scheme pays attention to the attainment of personal objectives set for each year, conformity to values, the partner's role in the organisation and the financial result of the company.

ORGANISATION

Structure

There have been no reorganisations.

Ownership

PwC Finland is owned by its shareholders employed by the company, i.e., Equity Partners, either directly or through companies fully owned by them. According to the Articles of Association, a majority of the votes carried by the shares of the company is held by auditors employed by the company or by audit firms.

Board of Directors at 30 June 2021



Janne Rajalahti
Chairman of the Board
KHT, Partner
b. 1964



Markku Katajisto
KHT, Partner
b. 1969



Merja Lindh
KHT, Partner
b. 1962



Samuli Perälä
KHT, Partner
b. 1974



Simo Valtti
LL.M, Partner
b. 1980



Kimmo Vilske
M.Sc. (Tech.), Partner
b. 1970



Martti Virolainen
M.Sc. (Econ.), Partner
b. 1967

Territory Leadership Team at 30 June 2021



Mikko Nieminen
CEO, Chairman of the
Territory Leadership Team
KHT, Partner
b. 1973



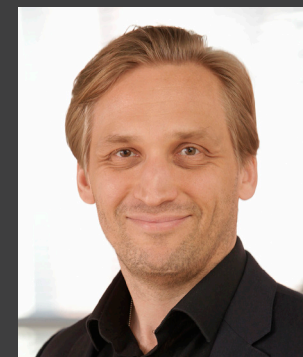
Markku Hakkarainen
Tax & Legal Services
Leader
LL.M., Partner
b. 1977



Pasi Karppinen
Assurance Leader
KHT, Partner
b. 1971



Marko Korkiakoski
Private Company
Services Leader
M.Sc. (Econ.), Partner
b. 1965



Kimmo Nieminen
Consulting Leader
MBA, BBA, Partner
b. 1974



Kauko Storbacka
Advisory Leader
M.Sc. (Econ.), Partner
b. 1979



Hannu Suonio
Markets Leader
M.Sc. (Tech.), Partner
b. 1972



Kati Tammilehto
Chief Operating Officer
M.Sc.(Econ.)
b. 1966



Leena Tiensuu
Human Capital Leader
LL.M., MBA
b. 1959



PwC network

Global network

PwC is the brand under which the member firms of PricewaterhouseCoopers International Limited ('PwCIL') operate and provide professional services. Together, these firms form the PwC network.

'PwC' is often used to refer either to individual firms within the PwC network or to several or all of them collectively.

The PwC network is not a global partnership, a single firm, or a multinational corporation. The PwC network consists of firms which are separate legal entities.

PricewaterhouseCoopers International Limited

Firms in the PwC network are members in, or have other connections to, PricewaterhouseCoopers International Limited (PwCIL), an English private company limited by guarantee. PwCIL does not practice accountancy or provide other services to clients. Rather its purpose is to act as a coordinating entity for member firms of the PwC network. Focusing on key areas such as strategy, brand, and risk and quality, PwCIL coordinates the development and implementation of policies and initiatives to achieve a common and coordinated approach amongst individual member firms of the PwC network where appropriate. Member

firms of PwCIL can use the PwC name and draw on the resources and methodologies of the PwC network. In addition, member firms may draw upon the resources of other member firms and/or secure the provision of professional services by other member firms and/or other entities. In return, member firms are bound to abide by certain common policies and to maintain the standards of the PwC network as put forward by PwCIL.

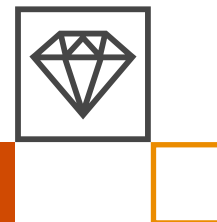
The PwC network is not one international partnership. A member firm cannot act as agent of PwCIL or any other member firm, cannot obligate PwCIL or any other member firm, and is liable only for its own acts or omissions and not those of PwCIL, or any other member firm. Similarly, PwCIL cannot act as an agent of any member firm, cannot obligate any member firm, and PwCIL is liable only for its own acts or omissions. PwCIL has no right or ability to control member firm's exercise of professional judgement.

A list of audit firms and statutory auditors belonging to the PwC network in the area of EEA is disclosed in Appendix 1. Total turnover achieved by audit firms and statutory auditors belonging to the PwC network in the area of EEA result-

ing, to the best extent calculable, from the statutory audit of annual and consolidated financial statements is approximately 2.4 billion Euros. This represents the turnover from each entity's most recent financial year converted to Euros at the exchange rate prevailing as of 30 June 2021.



Leadership responsibilities and accountability for quality



Promotion of a quality-oriented internal culture

Territory Senior Partner ('TSP') and Territory Assurance Leader ('TAL') leading the Assurance line of service assume the ultimate responsibility for the system of quality management in our audit business. The TSP and TAL promote a quality oriented internal culture by clear, consistent and frequent messages that emphasise our quality management policies and procedures. The messages encourage a culture that recognises and rewards high quality work. These messages are communicated, among other things, in training sessions, meetings, formal and informal dialogue, and newsletters.

Our business strategy is subject to the overriding principle for us to achieve quality in all the engagements that we perform. We have established policies and procedures that address performance evaluation, compensation and promotion (including incentive systems) of staff. We assign leadership responsibilities so that commercial considerations do not override the quality of work performed and we provide sufficient resources for the continuous development, documentation and support

of our quality management policies and procedures.

The results of our people surveys reflect our strong quality oriented culture and successful communication by management in Assurance. The people survey results are carefully analysed by leadership, and partners and other staff are invited to take part in this analysis. Results are communicated through internal newsletters and discussed in staff meetings.

Ensuring audit quality during the COVID-19 pandemic

The COVID-19 pandemic has had an unprecedented impact on our clients and our people, as well as global and local economies and broader society.

At PwC, in addition to safeguarding the health, safety and well-being of our people, we have remained focused on working together as a network, with our clients and other stakeholders to continue to deliver audit quality.

From the early stages of the pandemic, the PwC network put a team in place to monitor developments globally and

to highlight areas of critical importance to ensure we did not compromise on audit quality. We leveraged the guidance developed by the PwC network and established our own local COVID-19 team to provide clear and consistent guidance to our partners and other staff to ensure service quality considering each client's unique circumstances.

Our response to the challenges caused by the pandemic was comprehensive. It covered all aspects of audit quality, including regulatory and standard setting

updates, auditor reporting, methodology, accounting standards, and training.

The pandemic showed that our teams can seamlessly work remotely. Thanks to our tools and technology infrastructure, which had already been put in place, our people were able to carry out their work uninterrupted.

The impact of the COVID-19 continues to evolve and change. We are continuing to monitor, assess and respond to the resulting risks also in future.

The results of our people surveys reflect our strong quality oriented culture and successful communication by management in Assurance.



Identification of and responding to risks related to quality

We have established audit quality indicators that are followed up in audit business regularly. These indicators are designed so that they, among other things, enable us to identify risks to audit quality. When risks are identified, an action plan to address the risks is made and executed by the leaders of the quality functions and business unit leaders, depending on who is responsible for the matter in question.

Business unit leaders and regional audit business leaders report quarterly to the Territory Assurance Leader on their audit quality enhancement actions including any risks to audit quality they may have identified. Any additional risks which may have been identified and responses to those risks are also discussed in Quality Office meetings.

Any actions deemed necessary to respond to identified risks are incorporated in our annual quality improvement plan

unless already covered in it. Our Quality Improvement Plan is updated as needed. Deadlines are set for all actions, and the actions are assigned to relevant persons. We monitor the implementation of quality improvement actions monthly, and progress is reported to the leadership as well as to the PwC network.

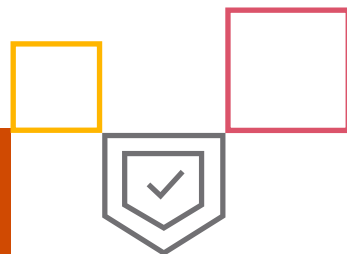
Recognition and Accountability Framework

PwC Finland's Recognition and Accountability Framework (RAF) reinforces quality in everything our people do in delivering on our strategy, with a focus on the provision of services to our clients, how we work with our people and driving a high quality culture. It holds Engagement Leaders, whether Partners or non-Partners, accountable for quality outcomes extending the targets beyond compliance. Our RAF considers and addresses the following key elements:

- Quality outcomes: We provide transparent quality outcomes to measure the achievement of the quality objectives. Our quality outcomes take into account meeting professional standards and the PwC network and our firm's standards and policies.
- Behaviours: We have set expectations of the right behaviours that support the right attitude to quality, the right tone from the top and a strong engagement with the quality objective.

- Interventions/recognition: We have put in place interventions and recognition that promotes and reinforces positive behaviours and drives a culture of quality.
- Consequences/reward: We have implemented financial and non-financial consequences and rewards that are commensurate to outcome and behaviour and sufficient to incentivise the right behaviours to achieve the quality objectives.

Ethical requirements



At PwC, we adhere to the fundamental principles of the IESBA (International Ethics Standards Board for Accountants) Code of Ethics Code of Ethics for Professional Accountants (the Code), which are integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

In addition, PwC network standards applicable for all member firms of PwC cover a variety of areas including professional ethics and business conduct, independence, anti-trust/fair-competition, anti-money laundering and anti-corruption, information protection, taxes of member firms of the network and partners, sanctions laws, internal audit and insider trading.

We take compliance with these ethical requirements seriously and strive to embrace the spirit and not just the letter of those requirements. All partners and other staff undertake mandatory training regularly, as well as submit annual compliance confirmations, as part of the activities to support appropriate understanding of the ethical requirements under which we operate. Leadership of PwC Finland monitors compliance with our policies.

In addition to the PwC Values (Act with integrity, Make a difference, Care, Work together, Reimagine the possible) and PwC Purpose, PwC Finland has adopted the PwC network standards which include a Code of Conduct, and related policies that clearly describe the behaviours expected of our partners and other professionals – behaviours that will enable us to build public trust. Because of the wide variety of situations that our professionals may face, our standards provide guidance under a broad range of circumstances, but all with a common goal – to act according to our values.

All members of our staff are required to acquaint themselves with the PwC Global Code of Conduct. and upon hiring or admittance, all professionals of PwC Finland are provided with it. They are expected to live by the values expressed in the Code in the course of their professional careers and have a responsibility to report and express concerns, and to do so fairly, honestly, and professionally when dealing with a difficult situation or when observing behaviours inconsistent with the Code.

Each member firm of PwC provides a mechanism to report issues. There is also a confidential global reporting op-

tion on [pwc.com/codeofconduct](https://www.pwc.com/codeofconduct). PwC Finland has adopted an accountability framework to facilitate remediation of behaviours that are inconsistent with the Code of Conduct.

The PwC Code of Conduct is available on-line for all internal and external stakeholders at our website [pwc.com/ethics](https://www.pwc.com/ethics).

Finally, the Organisation for Economic Co-operation and Development (OECD) provides guidance, including the OECD Guidelines for Multinational Enterprises (the OECD Guidelines), by way of non-binding principles and standards for responsible business conduct when operating globally. The OECD Guidelines provide a valuable framework for setting applicable compliance requirements and standards. Although the PwC network consists of firms that are separate legal entities which do not form a multinational corporation or enterprise, PwC's network standards and business policies are informed by and meet the goals and objectives of the OECD Guidelines.

Objectivity and independence

As auditors and providers of other types of professional services, member firm of PwC, and their partners and other staff are expected to comply with the funda-

mental principles of objectivity, integrity and professional behaviour.

In relation to assurance clients, independence underpins these principles. Compliance with these principles is fundamental to serving the capital markets and our clients.

The PwC Global Independence Policy, which is based on the IESBA Code of Ethics for Professional Accountants, including International Independence Standards, contains minimum requirements with which PwC member firms have agreed to comply, including processes that are to be followed to maintain independence from clients, when necessary.

PwC Finland has a designated partner (known as the 'Partner Responsible for Independence' or 'PRI') with appropriate seniority and standing, who is responsible for implementation of the PwC Global Independence Policy including managing the related independence processes and providing support to the business. The Partner is supported by a team of independence specialists. The PRI reports directly to the Territory Senior Partner.

Independence policies and practices

The PwC Global Independence Policy covers, among others, the following areas:

- Personal and firm independence, including policies and guidance on the holding of financial interests and other financial arrangements, e.g. bank accounts, loans and pension schemes by partners, other staff, and the firm
- Non-audit services and fee arrangements. The policy is supported by Statements of Permitted Services ('SOPS'), which provide practical guidance on the application of the policy in respect of provision of non-audit services to audit clients and related entities
- Business relationships, including policies and guidance on joint business relationships (such as joint ventures and joint marketing) and purchasing of goods and services acquired in the normal course of business, and
- Acceptance of new audit and assurance clients, and the subsequent acceptance of non-assurance services for those clients.

In addition, there is a Network Risk Management Policy governing the independence requirements related to the rotation

of key audit partners. We also comply with the requirements in the EU Audit Regulation and in the local legislation related to the rotation requirements.

These policies and processes are designed to help PwC comply with relevant professional and regulatory independence requirements that apply to the provision of assurance services. Policies and supporting guidance are reviewed and revised when need arise such as updates to laws and regulations, including any changes to the Code or in response to operational matters.

PwC Finland supplements the PwC Network Independence Policy as required by local provisions and regulations, including the Finnish Auditing Act, the EU Audit Regulation and, in addition, the requirements of the United States Securities and Exchange Commission (SEC) and the Public Company Accounting Oversight Board (PCAOB).

Independence-related systems and tools

As a member of the PwC network, PwC Finland has access to a number of systems and tools which support member firms and their staff in executing and complying with the independence policies and procedures. These include:



- **The Central Entity Service ('CES')**, which contains information about corporate entities including all PwC assurance clients and their related entities (including all public interest audit clients and SEC restricted entities) as well as their related securities. CES assists in determining the independence restriction status of clients of PwC Finland and those of other members of PwC before entering into a new non-audit service or business relationship. This system also feeds Independence Checkpoint and Authorisation for Services.
- **Independence Checkpoint** which facilitates the pre-clearance of publicly traded securities by all partners and practice managers before acquisition and is used to record their subsequent purchases and disposals. Where a member firm of PwC wins a new audit client, this system automatically informs those holding securities in that client of the requirement to sell the security where required.
- **Authorisation for Services ('AFS')** which is a global system that facilitates communication between a non-audit services engagement leader and the assurance engagement leader, regarding a proposed non-audit service, documenting the analysis of any potential independence threats created by the service and proposed safeguards, where deemed necessary, and acts as a record of the assurance partner's conclusion on the permissibility of the service, and
- **Global Breaches Reporting System**, which is designed to be used to report any breaches of external auditor independence regulations (e.g. those set by regulation or professional requirements) where the breach has cross-border implications (e.g. where a breach occurs in one territory which affects an audit relationship in another territory).

PwC Finland also has a few Finland-specific systems, which include:

- A rotation tracking system, with which we monitor compliance with mandatory audit rotation policies for PwC Finland, audit engagement leaders and other key audit partners involved in an audit, and
- A list of all approved joint business relationships entered into by PwC Finland. These relationships are reviewed on a six monthly basis to ensure their ongoing permissibility.

Independence training and confirmations

PwC Finland provides all partners and other staff with regular on-going training on independence matters. Training typically focuses on personal independence, milestone training relevant to a change in position or role, changes in policy or external regulation and, as relevant, provision of services. Partners and other staff receive computer-based training on PwC Finland's independence policy and related topics. Additional classroom training is delivered to partners and other staff on an as-needed basis by PwC Finland's independence team.

All partners and other staff are required to complete an annual compliance confirmation, whereby they confirm

their compliance with relevant aspects of PwC Finland's independence policy, including their own personal independence. In addition, all partners confirm that all non-audit services and business relationships for which they are responsible comply with policy and that the required procedures have been followed in accepting these engagements and relationships. These annual confirmations are supplemented by periodic and ad-hoc engagement level confirmations for assurance clients.

Independence monitoring and disciplinary policy

PwC Finland is responsible for monitoring the effectiveness of its system of quality management in managing compliance with independence requirements. In addition to the confirmations described above, as part of this monitoring, we perform:

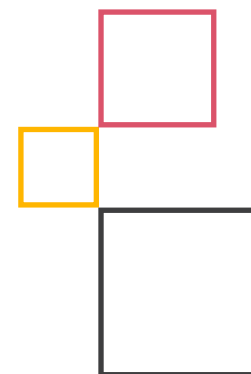
- compliance testing of independence controls and processes
- personal independence compliance testing of a random selection of, at a minimum, partners and managers as a means of monitoring compliance with independence policies, and
- an annual assessment of PwC Finland's adherence with the PwC network's standard relating to independence.

The results of the monitoring and testing are reported to our firm's management on a regular basis with a summary reported to them on an annual basis.

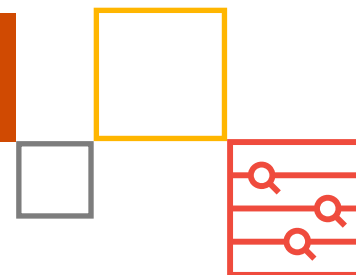
PwC Finland has disciplinary policies and mechanisms in place that promote compliance with independence policies and processes, and that require any breaches of independence requirements to be reported and addressed.

This would include discussion with the client's audit committee, as appropriate, regarding the nature of the breach, an evaluation of the impact of the breach on the independence of the firm and the engagement team and the need for safeguards to maintain objectivity. Although most breaches are minor and attributable to an oversight, all breaches are taken seriously and investigated as appropriate. The investigations of any identified breaches of independence policies also serve to identify the need for improvements in PwC Finland's systems and processes and for additional guidance and training.

We confirm that during the past financial year we have evaluated compliance with independence policies and procedures.



Considerations in undertaking the audit



Policy for accepting and continuing audit client relationships

Our principles for determining whether to accept a new client or continue serving an existing client are fundamental to delivering quality, which we believe goes hand-in-hand with our purpose to build trust in society. We have established policies and procedures for the acceptance of client relationships and audit engagements that consider whether we are competent to perform the engagement and have the necessary capabilities including time and resources, can comply with relevant ethical requirements, including independence, and have appropriately considered the integrity of the client. We reassess these considerations in determining whether we should continue with the client engagement and have in place policies and procedures related to withdrawing from an engagement or a client relationship when necessary.

Client and Engagement Acceptance and Continuance

PwC Finland has a process in place to identify acceptable clients based on the PwC network's proprietary decision support system for audit client acceptance

and continuance of the client relationship (called Acceptance). Acceptance facilitates a determination by the engagement team, business management and risk management specialists of whether the risks related to an existing client or a potential client are manageable, and whether or not PwC should be associated with the particular client and its management.

More specifically, this system enables engagement teams and member firms (including member firm leadership and risk management):

- To document their consideration of matters related to acceptance and continuance of clients and engagements, for example to identify and document issues or risk factors and their resolution, and

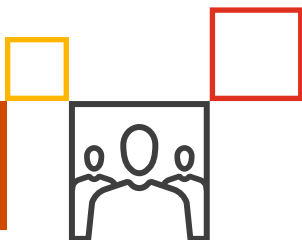
- To obtain an overall understanding of the risks associated with accepting and continuing with clients and engagements.

Before accepting a new client or engagement, we perform, among others, the following procedures:

- Exploration of conflicts of interest
- Anti-money laundering procedures
- Independence assessment.



Our people



People strategy

Our network people strategy is based on our aim to be the world's leading developer of people and talent enabling them to navigate with greater agility and confidence in a rapidly changing world. Specific focus areas include creating a resilient foundation for times of change through supporting the well-being of our people and enabling effective delivery; developing inclusive leaders for a shifting world; and, enabling our workforce for today's demands and tomorrow's challenges. This is reflected in our Caring for People theme of our PwC Finland strategy 2024.

The PwC Professional

The PwC Professional supports the development and career progression of our staff by providing a single set of expectations across all lines of service, geographies, and roles; outlining the capabilities needed to thrive as purpose-led and values-driven leaders at every level.

Professional Development

We are committed to putting the right people in the right place at the right time. Throughout our people's careers, they are presented with career development

opportunities, classroom, virtual classroom and on-demand learning, and on-the-job real time coaching/development. Our flexible training portfolio facilitates personalised learning.

Achieving a professional credential supports our Firm's commitment to quality through consistent examination and certification standards. Our goal is to provide our staff with a more individualised path to promotion and support them in prioritising and managing their time more effectively when preparing professional exams. This is a critical component of our people experience and retention strategy.

Continuing education

We confirm that we have a policy for continuing professional education for auditors.

We, and other PwC member firms, are committed to delivering quality assurance services around the world. To ensure consistency and audit quality, the network has developed and maintains a formal curriculum. It covers the PwC audit approach and, in addition to training materials, it provides access to

tools and updates on auditing standards and their implications, as well as areas of audit risk and areas of focus for quality improvement.

This formal learning is delivered using a blend of classroom learning and remote access. The curriculum supports our primary training objective of audit quality, while providing practitioners with the opportunity to strengthen their technical and professional skills, including professional judgement while applying a sceptical mindset.

The design of the curriculum allows that the Assurance Learning & Education Leader, i.e. the person responsible for continuing education, can consider, when training will be delivered and what additional training is needed in addition to the formal curriculum to address any specific local needs. This training is arranged for several areas, such as audit regulation, good auditing practice and International Standards on Auditing, internal control, independence requirements, accounting regulation and good accounting practice, company law, and taxation. Additionally, we place much emphasis on developing the digital

skills of all our people. The contents of the training may be provided by PwC Finland, PwC network or third party providers.

Diversity and inclusion

At PwC, we're committed to creating a culture of belonging. We are focused on ensuring our ways of working embrace diversity and fostering an inclusive environment in which our people are comfortable bringing their whole selves to work and feel that they belong and can reach their full potential. As demonstrated through our core values of Care and Work Together, we strive to more deeply understand and empathise with different backgrounds, perspectives and experiences. We know that when people from different backgrounds and with different points of view work together, we create the most value for our clients, our people, and society.

Recruitment

PwC Finland aims to recruit, train, develop and retain the best and the brightest staff who share in the firm's strong sense of responsibility for delivering high-quality services. Our hiring standards include an interview process



with behavior-based questions linked to The PwC Professional framework, skill and personal assessments as may be relevant in the context, assessment of academic records, and background checks.

Resource Management, team selection and supervision

Based on our strategic and annual business plans and known engagements, we create a staffing plan. It is compared with current resources and expected staff turnover. These form a basis for an annual recruitment plan. Our audit engagements are staffed based on expertise, capabilities and years of experience. Engagement leaders determine the extent of support, direction and supervision of junior staff.

Feedback and continuous development

Our team members obtain feedback on their overall performance, including factors related to audit quality, such as technical knowledge, auditing skills and professional scepticism. Audit quality is an important factor in performance evaluation and career progression decisions for both our partners and other staff. Feedback on performance and progression is collected via our Snapshot tool. We also use Workday to give and receive upward and peer feedback. Ongoing

feedback conversations help our people grow and learn faster, adapt to new environments, and bring the best to our clients and firm.

Career progression

PwC Finland uses the PwC Professional framework, which sets out expectations at all staff levels, to support in career development and in developing into well-rounded professional and leader. Our annual performance cycle and the individual's development are supported by regular feedback conversations.

Retention

Turnover in the public accounting profession is often high because as standards and regulations constantly change, accountants are in high demand. The training and development experience we provide makes our staff highly sought after in the external market, the situation of which affects the voluntary turnover in PwC.

Global People Survey

All member firms of PwC conduct a joint and centrally administered annual Global People Survey. PwC Finland is responsible for communicating and analysing results locally, along with clearly defined actions to address feedback.

Engagement

Performance



PwC Audit

As a member firm of PwC network we are using PwC Audit, a common audit methodology and process of the network. This methodology is based on the International Standards on Auditing ('ISAs'), with additional PwC policy and guidance provided where appropriate.

Our common audit methodology provides the framework to enable the PwC network member firms to consistently comply in all respects with applicable professional standards, regulations and legal requirements.

The PwC Audit Guide along with PwC's technology-based audit support tools and templates support engagement teams in conducting assurance and related services engagements.

Aura

In performing an audit we use Aura, which is our global technologically advanced audit documentation system. Our audit work is planned, executed and documented using Aura. It supports teams in applying our methodology effectively, by creating a transparent linkage between risks identified and the

work done to address those risks, as well as providing comprehensive project management capabilities.

Advanced technology

We continue to invest in audit technology that improves the quality of audits and enhances our ability to provide insights to our clients. Aura is complemented by a series of technology-based audit support tools and templates which are accessible via a range of electronic devices ranging from PCs to smartphones. These tools increasingly integrate with Aura, populating audit evidence directly into Aura. The main tools are Connect Suite and Halo.

Connect Suite consists of tools developed for team work to direct the workflow, providing fast, efficient and secure information sharing at every stage of the audit, both with the client and with audit teams operating in different countries.

- Connect is a tool that allows us to monitor the status of requests and information provided between our clients and the engagement team on a real time basis.
- Connect Audit Manager streamlines, standardises and automatises the

coordination of the group audit team and the component audit teams relating to group audits and statutory audits in different countries. Connect Audit Manager provides a single digital platform to see all outbound and inbound work. It completely digitalises the coordination process, enhancing transparency, compliance and quality in complicated group audits.

Halo is our data auditing technology that allows us to identify and assess risks and determine where to focus audit efforts. Halo tests and analyses large volumes of data, analysing whole populations. It can spot and visualise anomalies and trends in financial information, enabling us to analyse patterns and trends, identify unusual and high risk transactions, and provide valuable insights to our teams and our clients.

Key engagement performance policies

PwC Finland has policies and procedures to support engagement performance. These are regularly updated to reflect changes in our operating environment, as well as to meet the needs of PwC Finland.



Review and supervision

The engagement leader and senior engagement team members supervise the audit, review the work done, direct the team and maintain audit quality at the engagement level. Our audit software, Aura, is designed to help team members track the progress of the engagement and therefore make sure that all work has been completed, that work is reviewed by the relevant individuals including the engagement leader, and, where relevant, the engagement quality control reviewer (Quality Review Partner). Aura also helps us ensure that all matters arising have been appropriately addressed.

In addition to reviews by the engagement leader and senior engagement team members, all staff are expected to critically self-review their own work to make sure that it meets the relevant requirements.

Consultation

Consultation is key to ensuring audit quality. PwC Finland has policies setting out the circumstances under which consultation on matters relating to accounting, auditing and risk management, amongst others, is required.

Our experts track new developments in relevant areas and communicate changes to the staff. Our consultative culture also means that our engagement teams consult with each other on an informal basis, as well as with experts and others, in situations where consultation is not formally required.

Engagement quality control review

We appoint a Quality Review Partner ('QRP') to conduct engagement quality control reviews of, inter alia, the audit engagements of public interest entities. QRPs are experienced individuals who are independent of the core engagement team. They receive training for their task.

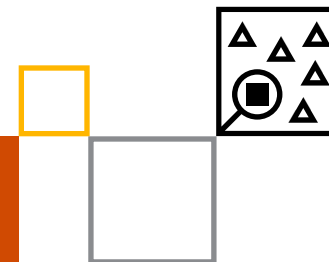
The QRP is responsible for reviewing key aspects of the audit including independence, significant risks and responses to these risks, judgements, uncorrected misstatements, documentation of work done in the areas reviewed, the financial statements, communication with those charged with governance, and the appropriateness of the audit report to be issued. QRPs are involved in different phases of the audit process and the QRP challenges the audit team in the judgements they have made and the work done.

Differences of opinion

PwC Finland has policies to resolve the situations where a difference of opinion arises between the engagement leader and either the QRP, another partner or e.g. the Risk Management function.



Monitoring and continuous quality improvement



INTERNAL QUALITY CONTROL

Role and objective

The objective of our monitoring process is to provide us with reasonable assurance that the policies and procedures relating to the System of Quality Management (SoQM) are relevant and adequate, and they are operating effectively.

Monitoring

Quality is a central element in the strategy of our audit business. Responsibility for appropriate quality management lies with the leadership of PwC Finland. This includes the design and operation of an effective SoQM that is responsive to our specific risks to delivering quality audit engagements, using the PwC network's QMSE framework (Quality Management for Service Excellence).

The SoQM includes effective monitoring processes aimed at evaluating whether the policies and procedures, which constitute our system, are designed appropriately and operating effectively.

PwC Finland's monitoring program is based on a consistent PwC network-wide inspections program based on international professional standards

relating to quality control including ISQC 1 and includes policies, procedures, tools and guidance used by the member firms of PwC.

The monitoring processes of PwC Finland also include a review of completed engagements (Engagement Compliance Reviews, ECR) and an ongoing assessment of the design and effectiveness of our SoQM. The results of the monitoring process form the basis for the continuous development of our SoQM.

ECRs are risk-focused reviews of completed audit and other assurance engagements. The review assesses whether an engagement was performed in compliance with PwC Audit guidance, applicable professional standards and other applicable engagement-related policies and procedures. Authorised public accountants and other persons responsible for engagements are subject to the reviews regularly.

Review teams are led by experienced audit partners, supported by other partners, auditors and specialists. Individuals involved in the work receive training to support them in carrying out their task.

They utilise a range of checklists and tools developed by the PwC network when conducting quality review procedures.

In addition, the PwC network coordinates an inspection programme to review the design and operating effectiveness of our SoQM. The use of a central team to monitor these inspections across the network enables a consistent view and sharing of relevant experience across the PwC network.

The results of the quality reviews are reported to the leadership, who are responsible for analysing the findings and implementing remedial actions as necessary. The results are also reported to the Board, which is responsible for appropriate arrangement of our firm's operations. The results of quality reviews are assessed at the level of an individual engagement and upwards in the chain of command. Further actions to be taken are determined case-by-case in accordance with the Recognition and Accountability Framework of PwC Finland.

Partners and our other staff are informed about the inspection results and the ac-

tions taken based on them. In addition, the network shares information on the inspection results in each country, which enables the consideration of them in planning and performing the audits.

Root cause analysis

We perform analyses to identify potential factors contributing to audit quality so that we can take actions for continuous development. Our primary objectives when conducting such analyses is to understand what our findings tell us about our SoQM and to identify how we can provide the best possible environment for our engagement teams to deliver a quality audit. We look at engagements that meet the requirements, as well as those with findings – whether identified through our own internal review process or through external inspections – to identify possible distinctions and learning opportunities.

In the root cause analysis we consider factors relevant to technical knowledge, direction and review, professional scepticism, engagement resources, and training, among others. Potential causal factors are identified by evaluating engagement information, performing

interviews, and reviewing audit working papers, as appropriate to understand the factors that may have contributed to audit quality.

The Board assesses that PricewaterhouseCoopers Oy's SoQM is operating effectively and provides us with reasonable assurance that we comply with professional standards and applicable legal and regulatory requirements, and that reports issued by us are appropriate in the circumstances. Review findings and other findings as well as initiatives for development relating to our SoQM are taken into account when further developing our system.

EXTERNAL QUALITY CONTROL

PwC Finland is subject to oversight by the Finnish Patent and Registration Office ('PRH') Auditor Oversight pursuant to the Finnish Auditing Act.

PwC Finland audits, inter alia, public interest entities (PIE), and therefore PRH Auditor Oversight carries out a quality assurance review on PwC Finland at least every three years. The scope of the quality assurance review covers assessment and testing of our System of Quality Management as well as assessment of the contents of the transparency report based on the EU Audit Regulation No 537/2014.

PwC Finland is also registered with the US Public Company Accounting Oversight Board (PCAOB). The PCAOB is the regulator for the audits of public companies with securities listed in the US. As a result of this registration, PwC Finland is also subject to oversight by the PCAOB. The PCAOB has carried out an inspection of PwC Finland every three years since 2013.

In addition, PwC Finland is registered with the Financial Services Agency in Japan (JFSA). The oversight authority has not given notice on any quality assurance reviews possibly to be carried out on PwC Finland.

The most recent PRH Auditor Oversight quality assurance review was undertaken in PwC Finland in October 2019 (the quality assurance review referred to in Article 26 of the EU Audit Regulation No 537/2014). Based on the cooperation agreement between PRH and the PCAOB, this quality assurance review was carried out jointly by the PRH Auditor Oversight and the PCAOB. The PRH Auditor Oversight gave the decision and the report on the quality assurance review in May 2021. The PCAOB issued its inspection report in June 2021.

In addition to a quality assurance review on an audit firm, a quality assurance

review is carried out on each authorised public accountant by the PRH Auditor Oversight at least every three or six years, depending on whether or not the authorised public accountant audits PIE entities. In 2021, 12 of our authorised public accountants were in scope for the quality assurance review.

Helsinki, 29 October 2021

PricewaterhouseCoopers Oy
Authorised Public Accountants



Janne Rajalahti
Chairman of the Board



Mikko Nieminen
Chief Executive Officer

Appendix 1:

Audit firms and statutory auditors belonging to the PwC network in the area of EEA

Below is a listing of audit firms and statutory auditors belonging to the PwC network in the area of EEA as of 30 June 2021.

Austria

- PwC Wirtschaftsprüfung GmbH, Wien
- PwC Oberösterreich Wirtschaftsprüfung und Steuerberatung GmbH, Linz
- PwC Kärnten Wirtschaftsprüfung und Steuerberatung GmbH, Klagenfurt
- PwC Steiermark Wirtschaftsprüfung und Steuerberatung GmbH, Graz
- PwC Salzburg Wirtschaftsprüfung und Steuerberatung GmbH, Salzburg
- PwC Österreich GmbH, Wien

Belgium

- PwC Bedrijfsrevisoren bv/Reviseurs d'entreprises srl

Bulgaria

- PricewaterhouseCoopers Audit OOD

Croatia

- PricewaterhouseCoopers d.o.o
- PricewaterhouseCoopers Savjetovanje d.o.o

Cyprus

- PricewaterhouseCoopers Limited

Czech Republic

- PricewaterhouseCoopers Audit s.r.o

Denmark

- PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab

Estonia

- AS PricewaterhouseCoopers

Finland

- PricewaterhouseCoopers Oy

France

- PricewaterhouseCoopers Audit
- PricewaterhouseCoopers Entreprises
- PricewaterhouseCoopers France
- PricewaterhouseCoopers Services France
- PwC Entrepreneurs Audit
- PwC Entrepreneurs Audit France
- PwC Entrepreneurs CAC
- PwC Entrepreneurs CAC France
- PwC Entrepreneurs Commissariat aux Comptes
- PwC Entrepreneurs Commissariat aux Comptes France

- PwC Entrepreneurs France
- PwC Entrepreneurs Services
- M. Philippe Aerts
- M. Jean-François Bourrin
- M. Jean-Laurent Bracieux
- M. Didier Brun
- Mme Elisabeth L'Hermite
- M. François Miane
- M. Pierre Pégaz-Fiornet
- M. Antoine Priollaud

Germany

- PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft
- Wibera WPG AG

Greece

- PricewaterhouseCoopers Auditing Company SA

Hungary

- PricewaterhouseCoopers Könyvvizsgáló Kft.

Iceland

- PricewaterhouseCoopers ehf

Ireland

- PricewaterhouseCoopers

Italy

- PricewaterhouseCoopers Spa

Latvia

- PricewaterhouseCoopers SIA

Liechtenstein

- PricewaterhouseCoopers GmbH, Ruggell

Lithuania

- PricewaterhouseCoopers UAB

Luxembourg

- PricewaterhouseCoopers, Société coopérative

Malta

- PricewaterhouseCoopers

Netherlands

- PricewaterhouseCoopers Accountants N.V.
- Coöperatie PricewaterhouseCoopers Nederland U.A.

Norway

- PricewaterhouseCoopers AS

Poland

- PricewaterhouseCoopers Polska sp. z o.o.
- PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp. k.
- PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością sp. k.

Portugal

- PricewaterhouseCoopers & Associados-Sociedade de Revisores Oficiais de Contas, Lda

Romania

- PricewaterhouseCoopers Audit S.R.L.

Slovakia (Slovak Republic)

- PricewaterhouseCoopers Slovensko, s.r.o.

Slovenia

- PricewaterhouseCoopers d.o.o.

Spain

- PricewaterhouseCoopers Auditores, S.L.

Sweden

- PricewaterhouseCoopers AB
- Öhrlings PricewaterhouseCoopers AB

Appendix 2:

Public interest entities

Below is a listing of public interest entities (the Finnish Accounting Act 1336/1997) for which PricewaterhouseCoopers Oy, or an Authorised Public Accountant employed by it, carried out a statutory audit (i.e. issued an audit report) between 1 July 2020 and 30 June 2021.

- Alma Media Oyj
- Altia Oyj
- Apetit Oyj
- Aspocomp Group Oyj
- Atria Oyj
- Biohit Oyj
- Cargotec Oyj
- Componenta Oyj
- Enento Group Oyj
- Evli Pankki Oyj
- Fingrid Oyj
- F-Secure Oyj
- Harvia Oyj
- Kamux Oyj
- KONE Oyj
- Kosken Osuuspankki
- Multitude SE ¹⁾
- Neste Oyj
- Nixu Oyj
- Nordea Bank Abp
- Nordea Henkivakuutus Suomi Oy
- Nordea Kiinnitysluottopankki Oyj
- Nordea Rahoitus Suomi Oy
- Nordea Vakuutus Suomi Oyj
- Outokumpu Oyj
- Ovaro Kiinteistösijoitus Oyj
- Panostaja Oyj
- Pohjolan Voima Oyj
- Raute Oyj
- Rymättylän Osuuspankki
- Sanoma Oyj
- SRV Yhtiöt Oyj
- Stora Enso Oyj
- Sunborn Finance Oyj
- Sunborn London Oyj
- Suomen Asuntopoppankki Oy
- Suomen Hypoteekkiyhdistys
- Teollisuuden Voima Oyj
- Tokmanni Group Oyj
- UPM-Kymmene Oyj
- Valion Keskinäinen Vakuutusyhtiö
- Valmet Oyj
- Verkkokauppa.com Oyj
- Viking Line Abp
- Wärtsilä Oyj Abp
- YIT Oyj

1) Previously Ferratum Oyj

Appendix 3:

Financial information

Financial information on the extent of activities

PwC Finland's total turnover in the financial year ended 30 June 2021 was EUR 159.0 million, divided as follows:

	2021 M€	2020 M€
Revenues from the statutory audit of annual and consolidated financial statements of public interest entities and entities belonging to a group of undertakings whose parent undertaking is a public interest entity	21.8	34.6
Revenues from the statutory audit of annual and consolidated financial statements of other entities	37.0	35.6
Revenues from permitted non-audit services to entities that are audited by the audit firm	33.3	31.3
Revenues from non-audit services to other entities	66.9	57.5
Total	159.0	159.0

The company's financial information is presented in more detail in the financial statements published on PwC Finland's website at [pwc.fi/en/about-us/publications.html](https://www.pwc.fi/en/about-us/publications.html).

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PwC's purpose is to build trust in society and solve important problems. We help companies to improve their efficiency, promote growth and to report reliably in a constantly changing environment. In Finland, we have 1 200 experts working around the country. Our services include consulting, deals, tax, legal, risk assurance, audit and other assurance services. More information: www.pwc.fi/en. Twitter: @PwC_Suomi.

PwC operates in 156 countries and employs more than 295,000 experts worldwide. PwC refers to the PwC network and/or one or more of its member firms, each of which is a separate legal entity. Please see www.pwc.com/structure for further details.

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