

Corporate Governance Statement

1 July 2023–30 June 2024

In its corporate governance and management, Nightingale Health Plc (“Nightingale Health” or “company”) complies with the laws and regulations applicable to a Finnish company listed on the Nasdaq First North Growth Market, the Nasdaq First North Growth Market Rulebook and the company’s Articles of Association. Nightingale Health furthermore has opted to comply with the Finnish Corporate Governance Code 2020 issued by the Finnish Securities Market Association (available at cgfinland.fi/en/).

The company’s 2021 incentive program for the Board of Directors, CEO and key management diverges from the Corporate Governance Code’s recommendation 23 in accordance with the comply or explain principle in the following way: three Board members external to the company, who were part of the Board during financial year 1 July 2023–30 June 2024, are covered by an incentive program with similar terms as those applicable to the CEO and some of the company’s Management Team. The company considers this exception justifiable, as the company does not see that the incentive program weakens the execution of the Board’s supervisory duty or causes conflicts of interest. According to the terms of the incentive program, the Board members and specified key management members covered by it receive a right entitling to options based on the company’s market value growth.

Based on the incentive program, rights entitling to options are given in two instalments: when the company reaches a market value of at least EUR 500 million and when the company reaches a market value of at least EUR 1,000 million (based on the volume-weighted average share price of 45 days). The company sees that no conflicts of interest are created, and the shareholders’ interests are not jeopardized, because an increase in the company’s market value is always in the best interest of the company’s shareholders. The company sees that the shared target related to market value growth does not weaken the Board’s supervisory duty, as the other targets relating to the company’s growth are aligned with market value growth.

This Corporate Governance Statement is provided separately from the Board of Directors’ Report. Up-to-date information related to the governance and management at Nightingale Health is available on the company’s website: nightingalehealth.com.

Governing bodies

In accordance with the Finnish Companies Act, the General Meeting of Shareholders is the highest decision-making body of the company. Its tasks are defined in the Finnish Companies Act and the company’s Articles of Association. The Annual General Meeting of Shareholders decides, among other things, on the amendments to the Articles of Association, adopts the financial statements, decides on a possible distribution of profits and discharges the members of the Board and the CEO from liability. The Annual General Meeting elects the Board members and the auditor and decides on their remuneration. The company’s Annual General Meeting is held annually within six months of the end of the financial year, and it is convened by the Board. The company’s Annual General Meeting was held on 16 November 2023.

The general objective of the Board of Directors is to direct the company’s business and strategy in a manner that secures a significant and sustained increase in the value of the company for its shareholders. To this end, the members of the Board are expected to act as a resource and to offer their expertise and experience for the benefit of the company. The tasks and responsibilities of the company’s Board of Directors are determined on the basis of the Finnish Companies Act as well as other applicable legislation. The Board of Directors has general authority to decide and act in all matters not reserved for other corporate governance bodies by law or under the provisions of the Articles of Association. The general task of the Board of Directors is to organize and oversee the company and it has the duty to act

in the best interests of the company at all times. The Board of Directors shall see to the administration of the company and the appropriate organization of its operations (general competence). The Board of Directors shall be responsible for the appropriate arrangement of the control of the company accounts and finances.

The CEO is appointed by the Board. The CEO shall see to the executive management of the company in accordance with the instructions and orders given by the Board of Directors. The company's Management Team assists the CEO in the management of Nightingale Health's business.

Scientific Advisory Board

In addition to the governing bodies of the company, the company has established a Scientific Advisory Board. The Scientific Advisory Board is not a decision-making body but acts in a supporting role to advance the company's strategy to translate novel scientific findings from flagship biobanks and research cohorts to preventative health applications available for individuals globally. The company's Scientific Director acts as the Chairperson of the Scientific Advisory Board.

Composition of the Board of Directors

According to the Articles of Association of the company, the Board shall consist of a minimum of three (3) and a maximum of ten (10) elected, ordinary members. The term of the Board members ends at the closing of the next Annual General Meeting following their election. The Board shall elect a Chairperson of the Board, unless otherwise decided when the Board is appointed.

Composition of the Board of Directors on 30 June 2024:

Leena Niemistö (Chair), Antti Kangas, Olli Karhi, Ilkka Laurila, Timo Soininen and Teemu Suna.



Leena Niemistö

- Chair of the Board since 2022
- Born 1963
- Finnish citizen
- MD, PhD
- Main occupation: Board professional and investor
- Holdings in the company on 30 June 2024: 403,340 Series A shares, 74,074 Series B shares (through Kaikarhenni Oy), 231,770 Series A options, entitling to the same number of shares in the company. In addition, stock options equal to ¹ per cent of the company's shares on a fully diluted basis shall be vested based on reaching the target valuation, i.e., the company's pre-money valuation in connection to a financing round, trade sale, or IPO exceeding EUR 500 million. Additionally, the right to stock options equal to ² per cent of the company's shares on a fully diluted basis shall be vested based on reaching the target valuation, i.e., the company's pre-money valuation in connection to a financing round, trade sale, or IPO exceeding EUR 1,000 million.
- Independent from the company and from its major shareholders.

¹ Previously 0.5 percent. The Board of Directors decided on the change on 16 Oct 2023.

² Previously 0.5 percent. The Board of Directors decided on the change on 16 Oct 2023.



Antti Kangas

- Board member since 2013
- Nightingale Health's CTO, Founder, and Management Team member
- Born 1984
- Finnish citizen
- M.Sc. (Tech)
- Main occupation: Nightingale Health Plc, Chief Technology Officer
- Holdings in the company on 30 June 2024: 5,340,342 Series A shares, 17,458 Series B shares, 0 options
- Not independent from the company or from its major shareholders.



Olli Karhi

- Board member since 2015
- Born 1963
- Finnish citizen
- Lic. Med. MD
- Main occupation: Board professional
- Holdings in the company on 30 June 2024: 0 shares, 0 options
- Independent from the company but not independent from its major shareholders.



Ilkka Laurila

- Board member since 2023
- Born 1977
- Finnish citizen
- MSc (Forestry), MSc (Econ)
- Main occupation: Taaleri Plc, Chief Financial Officer
- Holdings in the company on 30 June 2024: 8,000 shares, 600,000 Series B options with the right to subscribe to equal amount of Series B shares, in case defined market value is reached
- Independent from the company and its major shareholders.



Timo Soininen

- Member of the board since 2020
- Born 1965
- Finnish citizen
- M.Sc. (Econ)
- Main occupation: Board professional and investor
- Holdings in the company on 30 June 2024: 447,888 Series A shares, 123,000 Series B shares, 1,362,025 Series A options, entitling to same number of shares in the company. In addition, stock options equal to 1 per cent of the company's shares on a fully diluted basis shall be vested based on reaching the target valuation, i.e., the company's pre-money valuation in connection to a financing round, trade sale, or IPO exceeding EUR 500 million. Additionally, the right to stock options equal to 1 per cent of the company's shares on a fully diluted basis shall be vested based on reaching the target valuation, i.e., the company's pre-money valuation in connection to a financing round, trade sale, or IPO exceeding EUR 1 billion. In addition, Villagecape Ventures Oy, Timo Soininen's closely associated company over which Timo Soininen does not have control, holds 201,670 Series A shares and 59,259 Series B shares.
- Independent from the company and from its major shareholders.



Teemu Suna

- Board member since 2016
- Nightingale Health's CEO, Founder, and Management Team member
- Born 1982
- Finnish citizen
- M.Sc. (Tech)
- Main occupation: Nightingale Health Plc, Chief Executive Officer
- Holdings in the company on 30 June 2024: 2,637,964 Series A shares, 21,237 Series B shares, 2,000,000 Series B options, which entitle to subscribe for 1,000,000 Series B shares in the company when the company's market capitalization is at least EUR 500 million based on the 45-day volume weighted average purchase price. When the company's market capitalization is at least EUR 1,000 million based on the 45-day volume weighted average purchase price, the options entitle to subscribe for 1,000,000 Series B shares in the company.
- Not independent from the company or from its major shareholders.

A majority of the members of the Board of Directors shall be independent from the company and at least two of the members shall be independent from the company and any significant shareholder. Evaluation of director candidates' independence is an essential part of the director nomination process. Each member candidate's independence is assessed annually by the Board of Directors against the independence criteria of the Corporate Governance Code. The independence of a director who has served as a director for more than 10 consecutive years is subject to an overall evaluation on an annual basis.

Responsibilities and Duties of the Board

The Board of Directors is responsible for the management of the company and for the proper arrangement of its operations. In addition, the Board of Directors is responsible for the appropriate arrangement of the supervision of the company's accounts and finances. The Board of Directors uses regular reports and other information provided thereto by the company's management to stay informed of any developments in the company's operations and finances.

The Board of Directors adopts the company's strategy and monitors its implementation. The Board of Directors also adopts the annual operating plan and a budget based on the strategy, sets the company's goals for each fiscal year and monitors their implementation.

In addition to the duties set out in law and in the Articles of Association, the Board of Directors discusses matters that are significant to and which have a long-term impact on the extent and quality of the operations of the company and the group.

As the company does not have a separate Audit Committee or Remuneration Committee, the Board of Directors is also responsible for monitoring the financial reporting, compliance, and remuneration processes.

The Board of Directors has decided that the company does not have a separate Nomination Committee. The Board of Directors is responsible for preparing proposals to the General Meeting on the appointment of the members of the Board of Directors.

The Board may establish permanent committees from among its members and define written rules of procedure for each committee. The Board may in individual cases appoint ad hoc committees for the preparation of a specific matter.

The Board of Directors assesses its operations on an annual basis to ascertain whether the Board of Directors is operating efficiently. This assessment is carried out as an internal self-assessment. The Board of Directors discusses the results of the assessment. The ways of working and the effectiveness of the Board of Directors are developed based on the results of the assessment.

Board meetings

The Board of Directors will convene in accordance with the schedule agreed upon in the annual action plan that is adopted in advance. The Board of Directors will convene not less than 12 (twelve) times a year. The Board will hold extraordinary meetings as necessary, which may also be held as teleconference meetings. Matters may also be decided upon without convening an actual meeting by drawing up a unanimous decision that is signed by all Board members. The Chair of the Board convenes the extraordinary board meetings.

In the financial year 1 July 2023–30 June 2024, the Board of Directors focused on directing the company's strategic initiatives. The number of Board meetings was 15.

The table below presents the Board members' participation in the meetings between 1 July 2023 and 30 June 2024.

Member	Participation in Board meetings	Participation in Board meetings (%)
Leena Niemistö	15/15	100%
Antti Kangas	14/15	93%
Olli Karhi	15/15	100%
Timo Soininen	13/15	87%
Teemu Suna	15/15	100%
Ilkka Laurila	15/15	100%

Diversity of the Board of Directors

The Board of Directors has approved the company's Diversity Principles. The responsibility to maintain the principles rests with the CEO. The Board of Directors approves all amendments to the Diversity Principles. The purpose of the Diversity Principles is to define the goals and methods by which a purposeful diversity of the Board of Directors is achieved, which in turn furthers the effective work of the Board as a team.

When electing the members of the Board of Directors, the objective is to ensure that the Board of Directors as a collective supports the development of the current and future business of the company. When planning the composition of the Board of Directors, the Board of Directors considers the needs and development stages of the company's business operations as well as the areas of expertise required by the Board of Directors. When preparing the composition of the Board of Directors, long-term needs and succession planning are also considered.

Diversity reinforces the objective that the Board of Directors' competence profile as a whole supports the development of the current and future business of the company, and it is seen as a material part and success factor that enables the achievement of strategic objectives and the continuous improvement of customer-oriented operations.

The diversity of the Board of Directors is viewed from different perspectives. The material factors for the company are the members' complementary skills, education and experience from different professions and industries, different development stages of business operations and management, and the personal attributes of the members. The diversity of the Board of Directors is supported by experience from the international operating environment and relevant industries, as well as cultural knowledge and the consideration of age and gender distribution.

Both genders shall always be represented in the Board of Directors. If two candidates are equally competent, priority will be given to the candidate of the underrepresented gender. The company's long-term objective is to achieve a more balanced representation of both genders in the Board of Directors. On 30 June 2024, out of the six members of the company's Board of Directors five were men and one was a woman. As a means to achieve the aforesaid objective, the Board of Directors seeks to include representatives of both genders in the search and evaluation process of new Board members.

The realization and development of diversity to achieve objectives are evaluated in the self-assessment discussion of the Board of Directors.

During the financial year 1 July 2023–30 June 2024, the Board of Directors has continued with a composition where both genders are represented and where the Board has expertise from diverse areas, including management, finance, business, health care industry and technology industry.

The Chief Executive Officer

The CEO is responsible for the company's management in accordance with the Finnish Companies Act and the instructions given by the Board. The CEO prepares decisions and other matters for the Board of Directors' meetings, develops the company's operations in line with the targets agreed with the Board of Directors, and ensures the proper implementation of Board decisions.

The CEO shall see to the executive management of the company in accordance with the instructions and orders given by the Board of Directors (general competence). The CEO shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner. The CEO shall supply the Board of Directors and its Members with the information necessary for the performance of the duties of the Board of Directors.

The CEO is responsible for ensuring that existing legislation and applicable regulations are observed throughout the company.

The CEO is appointed by the Board. The Board decides on the compensation and terms of engagement of the CEO.

Management Team

Nightingale Health's Management Team consists of the CEO, his/her deputy (if one has been appointed), and other senior management.

Nightingale Health's Management Team assists the CEO in the management of Nightingale Health's business. The members of the team have authority in their individual areas of responsibility, and their duty is to develop the company's operations as a whole in line with the targets set by the Board of Directors and the CEO. The Management Team is not a decision-making body of the company.

During the financial year 1 July 2023–30 June 2024, the Management Team focused on reaching the business targets set for the financial year:

- Winning an international commercial contract with a healthcare industry partner with significant reference and contract value.
- Winning an international commercial contract with a white label partner with significant reference and contract value.
- Winning contract(s) in medical research with a total contract value of at least EUR 3.2 million.

Composition of the Management Team on 30 June 2024: Teemu Suna (CEO), Jeffrey Barret, Antti Kangas, Tuukka Paavola, Salla Ruosaari, Satu Saksman and Minja Salmio.



Teemu Suna

- Chief Executive Officer, Founder, Board member
- Born 1982
- Finnish citizen
- M.Sc. (Tech)
- CEO and Management Team member since 2014
- Holdings in the company on 30 June 2024: 2,637,964 Series A shares, 31,237 Series B shares, 2,000,000 Series B options, which entitle to subscribe for 1,000,000 Series B shares in the company when the company's market capitalization is at least EUR 500 million based on the 45-day volume weighted average purchase price. When the company's market capitalization is at least EUR 1,000 million based on the 45-day volume weighted average purchase price, the options entitle to subscribe for 1,000,000 Series B shares in the company.



Jeffrey Barret

- Chief Scientific Officer
- Born 1980
- United States and Irish citizen
- FT, FmedSci
- Management Team member since 2021
- Holdings in the company on 30 June 2024: 8,364 Series B shares, 1,000,000 Series B options, which entitle to subscribe for 100,000 Series

B shares when 12 months has passed from the start of the employment relationship, and which entitle to subscribe for Series B 900,000 shares if the defined market capitalization is achieved.



Antti Kangas

- Chief Technology Officer, Founder, Board member
- Born 1984
- Finnish citizen
- M.Sc. (Tech)
- Management Team member since 2014
- Holdings in the company on 30 June 2024: 5,340,342 Series A shares, 17,458 Series B shares, 0 options.



Tuukka Paavola

- Chief Financial Officer
- Born 1980
- Finnish citizen
- M.Sc. (Tech), CFA
- Management Team member since 2021
- Holdings in the company on 30 June 2024: 7,487 Series B shares, 600,000 Series B options, which entitle to subscribe for 100,000 Series B shares when 12 months have passed from the start of the employment relationship, and which entitle to subscribe for 500,000 Series B shares if the defined market capitalization is achieved.



Salla Ruosaari

- Chief R&D Officer
- Born 1976
- Finnish citizen
- PhD
- Management Team member since 2021
- Holdings in the company on 30 June 2024: 75,250 EMP shares and 250 EMP options, each entitling to 301 EMP shares in the company, 500,000 Series B options with the right to subscribe to an equal amount of Series B shares in case defined market value is reached.



Satu Saksman

- Chief Operating Officer, Co-founder
- Born 1976
- Finnish citizen
- M.Sc. (Tech)
- Management Team member since 2015
- Holdings in the company on 30 June 2024: 529,158 Series A shares, 17,458 Series B shares, 75,250 EMP shares, 1,550 EMP options, each entitling to 301 EMP shares in the company and 1,000,000 Series B options which entitle to subscribe for 500,000 Series B shares in the company when the company's market capitalization is at least EUR 500 million based on the 45-day volume weighted average purchase price. When the company's market capitalization is at least EUR 1,000 million based on the 45-day volume weighted average purchase price, the options entitle to subscribe for 500,000 Series B shares in the company.



Minja Salmio

- Chief Legal Officer
- Born 1987
- Finnish citizen
- LL.M.
- Management Team member since 2017
- Holdings in the company on 30 June 2024: 82,775 EMP shares, 1,550 EMP options, each entitling to 301 EMP shares in the company and 1,000,000 Series B options which entitle to subscribe for 500,000 Series B shares in the company when the company's market capitalization is at least EUR 500 million based on the 45-day volume weighted average purchase price. When the company's market capitalization is at least EUR 1,000 million based on the 45-day volume weighted average purchase price, the options entitle to subscribe for 500,000 Series B shares in the company

Internal control and risk management

The purpose of internal control and risk management is to ensure that the company's and its subsidiaries' operations are effective, that financial and other information is reliable, and that the company and its subsidiaries comply with the relevant regulations and operating principles.

Nightingale Health's Board of Directors is primarily responsible for the Nightingale Health Group's risk management. The Board confirms the principles and responsibilities of risk management, the risk limits of the Group and other general guidelines according to which the risk management and internal control are organized. Risk management is carried out separately for each of the company's operating areas, so that experts from each area participate in the identification of risks.

The Board is responsible for ensuring that the Group's internal control and risk management are sufficient relative to the scope of the Nightingale Health Group's business and that their supervision is appropriate.

The Board supervises that the CEO manages the company's operative business and administration in accordance with the instructions and orders issued by the Board. The Board assesses the Nightingale Health Group's financial reports and material changes in business operations to ensure that risk management is sufficient.

The aim of internal control is to give the Board and acting management adequate assurance of the realization of the following objectives:

- the effectiveness and appropriateness of operations
- the achievement of targets and profitability
- the reliability and completeness of financial reporting and other reporting
- the safeguarding of assets
- compliance with operating principles, plans, guidelines, laws and regulations to prevent errors and misconduct, for example.

Internal control constitutes an essential part of the Nightingale Health Group's operations on all levels of the organization and is conducted on all organizational levels and in all operations. The entire Group personnel are responsible for internal control and subsidiary managers monitor its effectiveness as part of operative management. The priorities of internal control are selected according to the risks identified as part of the risk management process.

In accordance with the Securities Market Act, Nightingale Health has in use a whistleblowing system through which the employees can report any misconduct they have observed or suspect. The company has not received any reports through the whistleblowing channel during the financial year 1 July 2023–30 June 2024.

During the financial year 1 July 2023–30 June 2024, the company's strong liquidity position and associated risks have been managed systematically with a risk-conscious approach.

Auditing

The extent and requirements of auditing the company are governed by the laws and regulations applicable to Finnish public companies. Accordingly, an independent third-party auditor audits annually the accounting records for each financial period, the annual accounts, and the administration of the company. The audit of the company includes an examination of the consolidated annual accounts for the Group as well as the relations between Group companies.

As required by law, the auditor gives an auditor's report to the company's shareholders in connection with the annual financial statements.

According to the company's Articles of Association, the company has an auditor that is an auditing firm approved by the Finnish Patent and Registration Office. The auditor is elected annually by the Annual General Meeting of Shareholders for a term that expires at the end of the next Annual General Meeting following the election. The auditor's term shall cover the financial year.

During the financial year 1 July 2023–30 June 2024, PriceWaterhouseCoopers Oy served as the company's auditor. The auditor with principal responsibility is Panu Vänskä. Fees paid to the auditor for auditing services totaled EUR 134 thousand and fees for other services totaled EUR 3 thousand.

Internal Audit

Internal audits evaluate the company's internal controls. The audits ensure the appropriateness and success of the company's internal control system and risk management as well as the management and corporate governance processes. Internal audits improve the fulfillment of the supervision obligation of the Board of Directors and provide management with the tools necessary to attain operational efficiency by identifying problems and correcting lapses before they are discovered in an external audit.

Internal audits are planned and scheduled according to the Yearly Audit Plan. Auditors are selected to ensure the objectivity and impartiality of the audit process. Auditors must be qualified for auditing and audits can be outsourced and performed by outside consultants, if necessary. Requirements related to consultants are defined in the Human Resources and Training Policy. The auditing process consists of planning, performing, reporting, follow-up, and closing. The internal audit is described in detail in the Internal Audit instructions.

In accordance with the audit plan for the financial year 1 July 2023–30 June 2024, the internal audits focused on information security, employee roles and responsibilities, marketing, and purchases.

Insider Administration

The Board shall ensure that the company has proper policies governing the administration of insider issues in place at all times. At Nightingale Health, the Chief Legal Officer is responsible for the coordination and supervision of insider administration. The insider laws and regulations, including the Market Abuse Regulation (EU), the Finnish Securities Markets Act, and the Guidelines for Insiders issued by Nasdaq Helsinki, complemented by the company's own Insider Policy adopted by the Board, constitute the primary legal framework for the insider issues relevant to the company.

The persons discharging managerial responsibilities in Nightingale Health in the meaning of the Market Abuse Regulation include members of the company's Board, the CEO, and other members of the Nightingale Health Management Team (together, the "Management").

Nightingale Health applies a restricted period of thirty (30) calendar days before the announcement, including the day of the announcement, of a half-year report or a financial statements release (the "Closed Window"). During this period, the persons included in the Management, the persons subject to trading restrictions, and any legally incompetent persons under their custody are prohibited from conducting any transactions, on their own account or for the account of a third party, directly or indirectly, relating to the company's shares or debt instruments, or derivatives or other financial instruments linked thereto.

A project-specific insider register is maintained when required by law or regulations. Project-specific insiders are prohibited from trading in the company's securities until the termination of the project.

Related Party Transactions

Nightingale Health's related party policy, which includes the principles for monitoring and evaluating related party transactions, has been approved by the Board of Directors of Nightingale Health, which monitors and evaluates related party transactions. The related party principles of Nightingale Health define the principles and processes by which the company identifies its related parties and monitors transactions with them, assesses the nature and terms of such transactions, ensures that potential conflicts of interest are duly considered in the decision-making of the company, and that they are reported as required.

The definition of related parties is based on the definitions included in the International Accounting Standard 24. The company's related parties include its subsidiaries, associated companies, key management personnel of the company, including the Board of Directors, the CEO and the Management Team, as well as their family members. Related parties also include companies over which the above-mentioned persons have control. The company maintains a list of the natural and legal persons that are its related parties in order to identify related party transactions.

The company reports on related party transactions annually in its financial statements. The company discloses the information required by law in the notes to the financial statements.