



Corporate Governance Statement 2025

Table of contents

1. INTRODUCTION	2
2. DESCRIPTIONS CONCERNING CORPORATE GOVERNANCE	2
General Meeting of Shareholders	2
Shareholders' Nomination Committee	3
Board of Directors	4
Board committees.....	7
Group Management.....	8
3. MAIN FEATURES OF INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS RELATED TO THE FINANCIAL REPORTING PROCESS.....	9
Risk management	9
Internal control	10
Internal controls over financial reporting.....	12
Risk management and internal control roles and responsibilities	13
4. OTHER INFORMATION TO BE PROVIDED	14
Insider Administration	14
Related party administration.....	15
Internal audit.....	15
Auditing	15

1. Introduction

The governance of Lehto Group Plc (hereinafter referred to as the “Company” or “Lehto”) is determined by the Company’s Articles of Association, Finnish laws (such as the Limited Liability Companies Act and the Securities Markets Act) and the Company’s Corporate Governance Guidelines. The Company complies with the Corporate Governance Code 2025 (the “Corporate Governance Code”) prepared by the Securities Market Association, which entered into force on 1 January 2025. The Corporate Governance Code can be viewed, among other things, on the Securities Market Association’s website at www.cgifinland.fi.

This statement has been issued separately from the Board of Directors’ Report. The Company’s Board of Directors has approved this statement on 26 March 2026 and the Company’s auditor has reviewed this statement. The Company’s statutory administrative bodies are the General Meeting, the Board of Directors, the CEO and the auditor. The Company’s registered office is in Kempele. This statement of corporate governance is publicly available on the Company’s website at <https://lehto.fi/yhtiokokous/>.

2. Descriptions concerning corporate governance

In accordance with the Finnish Companies Act, the administration of Lehto Group is divided between the general meeting, the board of directors and the CEO. Shareholders exercise their rights primarily at the general meeting, which is usually convened by the Company’s board of directors. A general meeting must also be held if the Company’s auditor or shareholders whose shares represent at least one tenth of all shares issued by the Company request a general meeting in writing.

General Meeting of Shareholders

The General Meeting is the highest decision-making body of Lehto Group. According to the Finnish Companies Act, shareholders exercise their decision-making power in the Company’s affairs at the General Meeting. The General Meeting decides on matters required by the Finnish Companies Act and the Articles of Association. Shareholders participate in the General Meeting in person or through a representative. Each share entitles them to one vote.

The Annual General Meeting shall be held annually on a date determined by the Board of Directors, no later than six (6) months after the end of the financial year. The Annual General Meeting shall decide on matters falling within its jurisdiction under the Companies Act and the Articles of Association, such as the approval of the financial statements, the use of the profit shown in the balance sheet, and the election of the members of the Board of Directors and the auditor and their fees. The Annual General Meeting shall also decide on the discharge of the members of the Board of Directors and the CEO from liability. An extraordinary general meeting shall be held when the Board of Directors deems it necessary or when the Company’s auditor or the Company’s shareholders, whose shares represent at least one tenth of all shares issued by the Company, request it in writing for the consideration of a specific matter.

In accordance with the Company’s Articles of Association, the notice of the General Meeting shall be delivered to the shareholders in writing no earlier than three (3) months and no later than three (3) weeks

before the General Meeting, but no later than nine (9) days before the record date of the General Meeting. The notice shall be delivered by publishing it on the Company's website or by other verifiable means in writing.

Shareholders' Nomination Committee

On 11 April 2017, the General Meeting of Lehto Group Plc decided to establish a Shareholders' Nomination Board to prepare proposals regarding the members of the Board of Directors and Board remuneration for the Annual General Meeting. The main task of the Nomination Board is to ensure that the Board of Directors is sufficiently diverse and that its members have sufficient expertise, competence and experience to meet the needs of the Company. In its operations, the Nomination Board complies with applicable legislation, the Corporate Governance Code and other provisions and regulations applicable to the Company. The Nomination Board's rules of procedure can be found at <https://lehto.fi/wp-content/uploads/2025/12/4.-Osakkeenomistajien-nimitystoimikunnan-tyjijNrjestys-29.3.2019-1.pdf>.

The members of the Nomination Board shall be representatives of the three (3) largest shareholders who have received the assignment. The largest shareholders are determined annually on the last trading day of September for public trading organized by Nasdaq Helsinki Ltd, based on the Company's shareholder register maintained by Euroclear Finland Ltd. Each of the three largest shareholders shall appoint one (1) representative to the Nomination Board. If someone does not exercise their right to appoint, the right shall be transferred to the next shareholder in order of size who would otherwise not have the right to appoint. The Chairman of the Company's Board of Directors shall act as an expert member of the Nomination Board without voting rights. The members of the Nomination Board shall not receive any remuneration for their membership of the Board.

The Nomination Board has a quorum when more than half of its members with voting rights are present. The Nomination Board may not make a decision unless all its members have been given the opportunity to participate in the discussion and meeting.

The term of office of a member of the Nomination Board is valid until the last trading day of public trading organized by Nasdaq Helsinki Ltd in September following the election.

The Nomination Board prepares a proposal for the composition of the Board of Directors for the Annual General Meeting, where the matter will be decided. When making the proposal, the Nomination Board takes into account the requirements of the Corporate Governance Code and the annual assessment of the Board of Directors. If necessary, the Nomination Board may also consult external experts.

During the term of office until the end of September 2025, the Nomination Board consisted of the following members: Hannu Lehto (nominated by Lehto Invest Oy), Jouni Hämäläinen (nominated by J&K Hämäläinen Oy) and Mikko Kinnunen. All members of the Nomination Board are men.

Board of Directors

The Board of Directors is elected by the Company's Annual General Meeting. Pursuant to the Company's Articles of Association, the Company has a Board of Directors consisting of three to eight (3–8) ordinary members. The term of office of the Board of Directors ends at the end of the Annual General Meeting following the election. The Board of Directors elects a Chairman from among its members.

Composition and operations of the Board of Directors

The Board of Directors has drawn up written rules of procedure for its operations, which define the Board's key tasks and operating principles.

The Board of Directors is responsible for the administration of the Company and the proper organization of its operations, and for ensuring that the Company's accounting and financial management are properly organized. The Board of Directors, among other things, directs and supervises the Company's executive management, appoints and dismisses the CEO, determines the CEO's duties and decides on his/her terms of employment, approves the strategic objectives and risk management principles of the Company and its business, and ensures the functioning of the management system. In addition, the Board of Directors, together with the Shareholders' Nomination Board, prepares the remuneration policy for the Company's bodies and presents it to the General Meeting for approval, and prepares and presents the remuneration report to the General Meeting.

The Board also ensures that the Company has defined the operating principles of internal control and that the Company monitors the effectiveness of control. The Board approves the policies and instructions regarding internal control, risk management and governance, as well as the Company's disclosure policy. The Board approves the action plan and budget based on the strategy and monitors their implementation. The Board also annually approves the total amount of investments and their emphasis in the Company's business and decides on large and strategically significant investments, acquisitions and divestments. The Board confirms the Company's ethical values and operating methods and monitors their implementation. In addition, the Board defines the Company's dividend policy, on the basis of which the dividend proposal is submitted to the General Meeting for decision. The Board or a member of the Board may not comply with a decision made by the General Meeting or the Board of Directors that is invalid due to violation of the Limited Liability Companies Act or the Articles of Association.

The Company's objective is to ensure that the Board of Directors as a whole has sufficient and diverse expertise and experience for its work. In preparing the proposal of the Company's Shareholders' Nomination Board regarding the composition of the Board of Directors, the requirements set by the Company's operations and the Company's stage of development should be taken into account in particular, and efforts should be made to ensure that the Board of Directors and its members have sufficient expertise, competence and experience corresponding to the Company's needs. A person elected as a member of the Board of Directors must have the qualifications required for the position and the opportunity to devote sufficient time to performing the position. The number of Board members and the composition of the Board of Directors must enable the efficient performance of the Board's duties. In order to assess the diversity of the Board of Directors and its composition, each candidate for Board of Directors shall provide the Shareholders' Nomination Board with the information necessary for the assessment of qualifications and time utilization in confidence in accordance with the instructions

provided by the Company when preparing the proposal regarding the composition of the Board of Directors.

The Board of Directors is also responsible for assessing the independence of its members. The majority of the Board of Directors must be independent of the Company and, in addition, at least two (2) of the members of the said majority must be independent of the Company's significant shareholders. Independence is assessed annually.

In 2025, the Company's Board of Directors consisted of Timo Okkonen (Chairman), Tarja Teppo and Hannu Lehto. Jani Nokkanen served on the Board until the Annual General Meeting held on 22 May 2025.

In 2025, the Company's Board of Directors held a total of 13 meetings and all Board members attended all meetings. The average attendance rate was 100%.

Basic information about the members of the Board of Directors, their independence, remuneration, shareholdings and participation in Board meetings is presented in the following tables.

Members of the Board of Directors 2025						
Name	Gender	Year of birth	Education	Position	Independence of the Company	Independence of significant shareholders
Timo Okkonen	Male	1965	Dr. Sc (Tech.)	Chairman	Yes	Yes
Tarja Teppo	Female	1972	Dr. Sc (Tech.)	Member	Yes	Yes
Hannu Lehto	Male	1963	Construction engineer	Member	No	No
Until May 22, 2025						
Jani Nokkanen	Male	1977	M.Sc. (Econ.)	Member	Yes	Yes

Remuneration of the members of the Board (incl. Audit committee fees) and meeting attendance in meetings 2025				
Name	Remuneration paid as cash, eur	Remuneration paid as shares, pcs	Board and Committee meeting fees, eur	Attendance in Board meetings
Timo Okkonen	19 500	67 808	0	13/13
Tarja Teppo	13 000	67 808	0	13/13
Hannu Lehto	0	0	0	13/13
Jani Nokkanen	6 000	67 808	0	5/5
Board of Directors in total	38 500	203 424	0	100 %

Board members direct and indirect holdings of shares, 31 December 2025		
Name	Shareholding, pcs	Shareholding, ratio
Timo Okkonen	67 808	0,04 %
Tarja Teppo	67 808	0,04 %
Hannu Lehto with controlling entity	81 106 505	49,96 %
Board of Directors in total	81 242 121	50,04 %

Presentation of the board members

Timo Okkonen has served as a member of the Board of Directors and Chairman since the 2024 Annual General Meeting. Previously, he served as Chief Operating Officer at Fennovoima Oy and CEO at Inspecta Oy. Currently, Okkonen works as an entrepreneur and management advisor in several nuclear energy projects in Sweden and Finland. Timo Okkonen's strengths are in business strategy, change management and digital solutions. Okkonen is well-versed in the development prospects of the energy sector and the regulatory environment. Okkonen holds a Doctor of Technology degree.

Tarja Teppo has served as a member of the Board of Directors since the 2024 Annual General Meeting. Teppo has over 20 years of experience working with growth companies in the energy and clean technology sectors. She is one of the founders of Cleantech Invest (listed on Nasdaq First North Helsinki in 2014). Teppo is currently developing Action Energy Finance, a Company she founded in 2021 that focuses on project financing for energy and resource efficiency projects. Tarja Teppo's strengths are in the development of growth companies in energy technology, financial arrangements and fundraising. Teppo holds a Doctor of Technology degree.

Hannu Lehto has served as a member of the Board of Directors since the 2021 Annual General Meeting and as Chairman from the 2021 Annual General Meeting until 5 December 2022. He has strong experience in both entrepreneurship in the construction industry and in management positions at Lehto Group in various stages of the Company. Hannu Lehto is the Company's founding shareholder and has served as the Company's CEO first in 2008–2013 and from 2014 until May 2021 and again from May 2024 onwards. He has also served as both a member of the Board of Directors and Chairman in previous years. Hannu Lehto has been involved in the operations of Lehto Group and its subsidiaries for a total of over 35 years. Lehto is a civil engineer by training.

Expired board memberships

Jani Nokkanen served as a member of the Board of Directors from the 2021 Annual General Meeting until the 2025 Annual General Meeting.

Statement on the implementation of the Board Diversity Policy 2025

In 2017, the Board of Directors confirmed the Company's Board Diversity Policy to be followed in the selection of persons nominated to the Board of Directors. The implementation of the diversity policy is monitored annually in connection with the corporate governance report.

In order to support and develop the Company's business in a diverse manner, the composition of the Board of Directors must be sufficiently diverse. When selecting individuals to be nominated to the Board of Directors, a balance must be considered in terms of educational background, professional competence, experience, internationality, and age and gender distribution. The Board of Directors, when assessed as a whole, aims to have a sufficiently broad range of qualifications, competence and experience. When preparing a proposal regarding the composition of the Board of Directors, the Shareholders' Nomination Board should take into account sufficient diversity of the Board.

The Board of Directors elected by the Annual General Meeting on 22 May 2025 has three members, two of whom are men and one woman. The proportion of women among the Board members is therefore 33%.

The Board consists of individuals with both commercial and technical expertise. The Board is made up of people of different ages and educational backgrounds and has strong expertise in energy markets, finance and growth companies. The Board members also have experience in megatrends identified by the Company, international assignments, the ability to develop the Company's operations and also assess the views of parties using the Company's services.

According to the self-assessment conducted by the Board of Directors, diversity is well implemented in the Company's Board of Directors and the Board members have been able to devote a sufficient amount of their time to Board work to ensure the Board's operating conditions.

Board committees

The preparation of matters falling within the responsibility of the Board of Directors can be made more efficient by establishing Board committees, where matters can be studied more extensively. The Board of Directors decides on the establishment of committees, unless otherwise provided for in the Articles of Association. The establishment of committees may be necessary, in particular, for the supervision of the Company's reporting and control systems and the appointment of management personnel, as well as for the development of the Company's remuneration systems. The committees assist the Board of Directors by preparing matters falling within the responsibility of the Board of Directors. The Board of Directors is responsible for carrying out the tasks assigned to the committees. The committees do not have independent decision-making power, but the Board of Directors makes the decisions incumbent upon it collectively.

Audit committee

The Corporate Governance Code states that an audit committee must be established in a Company whose scope of business requires the preparation of financial reporting and control matters in a smaller composition than the entire board. The members of the audit committee must have sufficient expertise and experience, taking into account the scope of the committee and the mandatory tasks related to auditing. The majority of the members of the audit committee must be independent of the Company and at least one member must be independent of the Company's significant shareholders. However, an audit committee need not be established in companies where it is not justified, for example, due to the Company's business operations, its stage of development or the Company's size or the composition of the board.

According to the Corporate Governance Code, a Company must either have an audit committee or the entire board of directors must perform the mandatory duties of the audit committee or assign them to another committee.

Since June 2024, Lehto Group Oyj has not had an Audit Committee due to the small size of the Company's business. The entire Board of Directors is responsible for the tasks of the Audit Committee.

The Company's Board of Directors is responsible for performing, among other things, the following basic tasks that are normally the responsibility of the Audit Committee:

- Monitoring the financial statement process
- monitoring the financial reporting process
- monitoring the effectiveness of the Company's internal control, potential internal audit and risk management systems
- discussing the description of the main features of the Company's internal control and risk management systems related to the financial reporting process
- monitoring the statutory audit of the financial statements and consolidated financial statements
- monitoring the independence of the statutory auditor or audit firm and the basis for providing outsourced services
- preparing a draft decision on the selection of the auditor

During 2025, the Board of Directors has dealt with, among other things, the following matters that are normally the responsibility of the Audit Committee:

- evaluation and implementation of structural arrangement possibilities
- monitoring and implementation of the Company's restructuring program
- expanding the energy construction business and verifying the business's operating conditions
- managing the Company's liquidity and obtaining financing.

Group Management

CEO

The CEO manages the day-to-day administration of the Company in accordance with the instructions and regulations issued by the Board of Directors. The CEO is responsible for ensuring that the Company's accounting is in accordance with the law and that financial management is organized in a reliable manner. The CEO must provide the Board of Directors and its members with the information necessary for the performance of the Board's duties.

The CEO may only take unusual or far-reaching actions, taking into account the scope and nature of the Company's operations, if the Board of Directors has authorized him to do so or if the Board of Directors' decision cannot be expected without causing material harm to the Company's operations. In the latter case, the Board of Directors must be informed of the actions as soon as possible.

Hannu Lehto, born 1963, has served as the Company's CEO since the beginning of May 2024. He has strong experience in both entrepreneurship in the construction industry and in management positions at Lehto Group in various stages of the Company. Hannu Lehto is the Company's founding shareholder and has served as the Company's CEO previously, first in 2008–2013 and from 2014 until May 2021. He has also served as both a member of the Board of Directors and Chairman in previous years. Hannu Lehto has been involved in the operations of Lehto Group and its subsidiaries for a total of over 35 years. Lehto is a civil engineer by training.

At the end of the financial year 2025, Hannu Lehto directly or indirectly owned 81,106,505 shares in the Company, representing a total of 49.96% of all shares and votes in the Company.

Group Management Team and other management

In 2016-2023, the Group had a Group Management Team, which supported the CEO in the tasks within the CEO's competence, their implementation and monitoring, especially in terms of business development, financing, asset management, internal control and risk management.

The Company decided to dissolve the Group's Management Team in February 2024 because the Company's operations were significantly reduced as a result of the bankruptcies of its construction subsidiaries, and the Company no longer has operations that would require management team work.

Veli-Pekka Paloranta, born in 1972, has served as Lehto's CFO since November 2015. From 2000 to 2015, Paloranta worked in financial administration positions at JOT Automation, Rohwedder and Elektrobot groups. From 2010 to 2015, he served as the Group CFO of Bittium Corporation (formerly Elektrobot Corporation) and since 2020, he has served as a member of the Board of Directors and Audit Committee of Bittium Corporation. In addition, since 2014, Paloranta has served as the Chairman of the Board of Directors of Arkkitehtitoimisto Paloranta Oy. Paloranta holds a Master of Science in Economics.

At the end of the financial year 2025, Paloranta directly or indirectly owned 501,653 shares in the Company, representing 0.31% of all shares and votes in the Company.

3. Main features of internal control and risk management systems related to the financial reporting process

Risk management

The goal of risk management is to safeguard the Company's performance and ensure business continuity. Risk management is part of the Company's strategic and operational planning, daily decision-making process and internal control system. Risk management links business objectives, risks and risk management measures into one overall chain.

Due to a significant change in the Company's business and structure in 2024, there have been changes in the Company's risks and risk management. The Company's new business is in its early stages and the Company has few employees. In such a situation, risk management is part of daily operations and emphasizes close dialogue between different personnel groups, subcontractors and other partners.

During 2025, Lehto's risk management has focused particularly on the technical and safety-related characteristics of products used in business, the reliability of procurement channels, and the adequacy of financing.

In principle, risk management covers all activities related to setting goals, identifying, measuring, assessing, processing, reporting, monitoring, controlling and responding to risks.

The Group's management and the Board of Directors assess business risks that may prevent or jeopardize the achievement of the Group's strategic and performance targets in connection with the strategy process and annual planning. Strategic and operational risks are continuously monitored and managed by operational management and at monthly Board meetings.

The Company's CEO reports to the Company's Board of Directors on the Group's identified risks and the measures planned and implemented to manage the risks.

Risk management aims to:

- identify and assess systematically and comprehensively all significant risks that threaten the achievement of objectives, including risks related to business, assets, contracts, expertise, currencies, financing and strategy;
- optimally utilize business opportunities and ensure business continuity;
- anticipate and identify uncertainty factors and thus develop risk anticipation and the measures required by risks;
- take only informed and carefully assessed risks, e.g. in expanding business, increasing market position and creating new business;
- avoid or minimize risks of damage;
- ensure the security of products, solutions and services;
- create a safe working environment for employees;
- minimize the potential for unhealthy phenomena, crimes or abuses through operating principles, various systems, controls and immediate response;
- communicate risks and risk management to stakeholders; and
- cost-effectiveness in risk management.

Risk management does not aim to:

- eliminate risks entirely;
- adopt unnecessary controls or management measures; or
- create additional administrative burden.

Internal control

Internal control is carried out by the Company's Board of Directors, management and all Group personnel to provide reasonable assurance that

- operations are functional, efficient and in line with the strategy;
- financial reporting and information provided to management are reliable, complete and timely; and
- the Group complies with applicable laws and regulations as well as the Company's internal guidelines and ethical values.

The first group concerns the Company's fundamental business objectives, including performance and profitability targets, strategy, implementation of objectives and measures, and securing resources.

The second group relates to the preparation of reliable public financial statements, including semi-annual reports and condensed financial statements, as well as selected publicly reportable financial information derived from such financial statements, such as the disclosure of earnings.

The third group is related to compliance with laws and regulations applicable to the Company and the procedures adopted by the Company.

Lehto Group's internal control includes the following elements:

- The guidelines and principles for internal control, risk management and governance set by the Company's Board of Directors;
- introduction and application of guidelines and principles under management supervision;
- monitoring the efficiency and effectiveness of operations and the reliability of financial and management reporting by the finance department;
- The Company's risk management process, which aims to identify, assess and mitigate risks that threaten the achievement of the Company's objectives;
- compliance processes, which aim to ensure that all applicable laws, regulations, internal guidelines and ethical values are followed;
- an effective control environment at all organizational levels, including tailored controls for defined processes, and the creation of minimum requirements across the Group's business areas and geographies;
- shared ethical values and a strong internal control culture among all employees; and
- internal audits, where necessary, that measure the effectiveness of internal control.

Risk management measures for business processes are defined in the form of control points:

- identification of relevant process risks;
- common control points/group minimum control points are identified;
- common control points are implemented in business processes;
- additional control points are defined at business or functional levels as needed.

Controls are guidelines and measures that ensure that management instructions are implemented. Controls ensure that risks are addressed by taking the necessary measures to achieve the Company's objectives. Controls are set across the organization, at all levels and in all functions. They include various activities such as approvals, authorizations, verifications, checking the effectiveness of operations, safeguarding assets and segregation of responsibilities.

Internal controls over financial reporting

Internal controls over financial reporting aims to ensure the accuracy, reliability, timeliness and appropriateness of financial information.

Financial reporting organization and duties

The Group's financial management is centralized in the Group's parent Company. During 2024, the accounting of all Group companies was outsourced to an accounting firm, which handles the receipt, recording, payment transactions and general ledger accounting. The Company can continuously monitor the status of sales invoicing, purchase invoices and financial transactions from the information systems maintained by the accounting firm. The accounting firm produces a monthly accounting summary for each Group Company in accordance with the cost center and project allocation defined by the Company.

The Company's own financial administration consists of a CFO and one administrative employee. The financial administration directs and cooperates with the accounting firm to produce accurate, up-to-date and reliable financial information to support decision-making. The financial administration is also responsible for handling several corporate law matters.

Financial reporting systems

The Group's main financial information system is the Easor system provided by the accounting firm Talenom Oyj, which registers accounting transactions and allows the Company's management to monitor the financial situation of sales invoicing, expenses and cash, as well as cost centers and projects in real time. Talenom Oyj also handles the Company's payroll and payments.

In addition to the Easor system, the Company uses the Monday ERP system. This system manages all project-related matters, mainly technical and contractual, but also financial forecasts for projects. The Company is also building an interface from the Easor system to the Monday system, so that actual financial data can also be displayed in the Monday system.

Supervision of financial reporting

The accuracy of financial reporting is ensured by internal guidelines, job descriptions, process descriptions, authorization matrices, and operating models agreed with the accounting firm. The Company regularly discusses the basics of business operations and transactions with the accounting firm.

The Finance Department provides the Group's Board of Directors with a monthly summary of key financial information. During 2025, the main focus of financial reporting has been on monitoring project costs and revenues and assessing cash adequacy.

The level of financial management expertise is maintained through training as needed. Auditors assess the accuracy of reporting, for example when preparing semi-annual reports and in connection with audit work carried out during the financial year.

Risk management and internal control roles and responsibilities

The primary roles and responsibilities for the Group's internal control and risk management are defined as follows:

Board of Directors

The Board of Directors is ultimately responsible for the Company's governance and proper organization of operations. In accordance with good corporate governance, the Board of Directors is also responsible for ensuring that the Company has adequately transferred the values it applies to its operations. The Board of Directors approves policies and guidelines regarding internal control, risk management and governance. The Board of Directors determines the Company's risk appetite and risk tolerance and regularly reassesses them as part of the Company's strategy and target setting. The Board of Directors reports on its activities to the shareholders.

The Board of Directors is also responsible for the internal control tasks normally assigned to the Audit Committee, which include:

- monitor the reporting process of financial statements;
- supervise the financial reporting process;
- monitor the efficiency of the Company's internal control, possible internal audit and risk management system;
- process the descriptions included in the Company's corporate governance statement "Main features of the internal control and risk management systems related to the financial reporting process"; and
- monitor the statutory audit of the financial statements and consolidated financial statements.

CEO

The CEO is responsible for the day-to-day management of the Company in accordance with the instructions and regulations issued by the Board of Directors. The CEO creates the foundation for the internal control environment by providing leadership and direction to the other Group management and by evaluating their ways of controlling the business. The CEO is responsible for the Group's risk management process and its continuous development, resourcing the work and reviewing the risk management principles, and defining the operating principles and the overall process. The CEO reports on risk management to the Board of Directors as part of the monthly reporting. The CEO, and the Group's managers operating under his/her authority, are responsible for risk management in their own areas of responsibility.

CFO and financial administration

The CFO's task is to ensure and monitor that the Group's accounting and financial reporting practices are in compliance with the law, and that both external and internal financial reporting is reliable.

Financial administration is responsible for:

- ensure that adequate controls are in place in collaboration with business management;
- operational monitoring of the suitability and effectiveness of control measures; and

- ensure that external reporting is accurate, timely and in compliance with applicable regulations.

The CFO is also responsible for ensuring and monitoring that the Group's payroll administration and employment-related management practices are in compliance with the law and are managed in an appropriate manner.

4. Other information to be provided

Insider Administration

The Company complies with the insider guidelines for listed companies prepared by Nasdaq Helsinki Ltd, the Central Chamber of Commerce and the Confederation of Finnish Industries. The Company has supplemented the guidelines with its own internal insider guidelines. The insider and trading guidelines approved by the Company include provisions on insiders, the disclosure and postponement of insider information, the prohibited use of insider information, insider lists, the reporting obligation regarding transactions of executives and their close associates, and personnel's own transactions in the Company's financial instruments. The purpose of the guidelines is to explain the content of the guidelines published by Nasdaq Helsinki Ltd and other related regulations and restrictions, and to standardize and streamline the handling of insider and trading matters in the Company.

The Company's insiders are divided into two groups. The executives subject to the notification obligation are the members of the Board of Directors, the CEO and other senior management personnel defined by the Company who have regular access to inside information and who have the right to make decisions regarding the Company's future development and the organization of its business.

Project-specific insiders are persons who have access to inside information concerning an identified project. Project-specific insiders may also include, among others, persons/entities acting on behalf of or on behalf of the Company, such as lawyers and consultants. The Company maintains a project-specific insider list of confidential arrangements that, according to the Nasdaq Helsinki Ltd insider guidelines, can be considered projects and that may materially affect the value of the Company's financial instruments.

According to the MAR Regulation, the period during which managers subject to the reporting obligation may not trade in the Company's financial instruments before the publication of the Company's half-yearly report and financial statement bulletin is 30 days, the so-called closed period. The closed period ends, in accordance with Lehto's regulation, on the day following the publication of the half-yearly report or financial statement bulletin. In addition, Lehto recommends that trading in Lehto's financial instruments takes place within 30 days of the end of the closed period.

The closed period and the subsequent 30-day trading recommendation also apply to persons involved in the preparation of semi-annual reports and financial statements, as well as other persons specified by the Company.

Related party administration

In addition to the members of the Board of Directors, the CEO and the Group management of the Group companies, Lehto Group's related parties include family members of related parties and those entities in which the related party or their family members have influence either through ownership or management. Related parties also include associated companies and joint ventures.

On 17 June 2020, the Company's Board of Directors approved a related party guideline that defines the principles to be followed in Lehto Group in transactions with related parties. The guideline applies to all Lehto Group personnel more broadly than the related party defined above. According to the guideline, all related party transactions must be carried out at market prices and other terms, i.e. on the same principles as with independent parties.

The purpose of the Company's related party guidelines is to ensure the independence and arm's length nature of transactions in transactions involving parties related to the Company or which may otherwise raise doubts about the arm's length nature of the transaction. The Company assesses and monitors that related party transactions are in line with the purpose and interest of the Company's operations, have a business justification, and that conflict of interest issues are appropriately taken into account when deciding on related party transactions.

The Company maintains a related party register of significant transactions between the Company and its related parties, their parties and key terms. Information on related parties is collected annually from the Company's related parties and employees. The Company monitors any related party transactions as part of its internal control.

The Company's related party register is not public and the information contained therein is not disclosed to third parties, except for any authorities and auditors who may be entitled to access the information. Significant transactions with the Company's management and its related parties are always decided by the Company's Board of Directors.

The Company will disclose related party transactions that are material to shareholders at the latest when the transaction binds the Company.

Internal audit

The Company does not have a separate internal audit organization. This has been taken into account in the content and scope of the annual audit plan. The audit is focused on specific topics at different times and on separately agreed focus areas.

Auditing

According to Section 6 of the Company's Articles of Association, an auditing firm shall be elected as the Company's auditor, the principal auditor of which shall be a Certified Public Accountant. The auditor's term of office shall end at the end of the Annual General Meeting following the election.

The Company's auditor in 2025 was the auditing firm KPMG Oy Ab, which has appointed Authorized Public Accountant Pekka Alatalo as the Company's principal auditor. The fees paid for the audit in 2025 were EUR 63,200 and the compensation paid for the auditor's statutory statements and certificates was EUR 1,900. No other services were purchased from the auditor in 2025.