

CORPORATE GOVERNANCE STATEMENT 2024

INTRODUCTION

Harvia Plc's ("Harvia" or "the company") corporate governance complies with the Finnish Limited Liability Companies Act and Securities Markets Act, regulations concerning listed companies, the company's Articles of Association, and the rules and regulations of Nasdaq Helsinki Ltd. The company also adheres to the Finnish Corporate Governance Code.

In its governance in 2024, Harvia complied with the Corporate Governance Code 2020 with no departures. This report has been prepared in accordance with the Corporate Governance Code effective from 1 January 2025 ("Corporate Governance Code 2025") set by the Securities Market Association and available at www.cgfinland.fi.

The Corporate Governance Statement is issued separately from the company's Report by the Board of Directors, and it is published together with Harvia's Report of the Board of Directors, Financial Statements and Remuneration Report for 2024 on the company website at www.harviagroup.com.

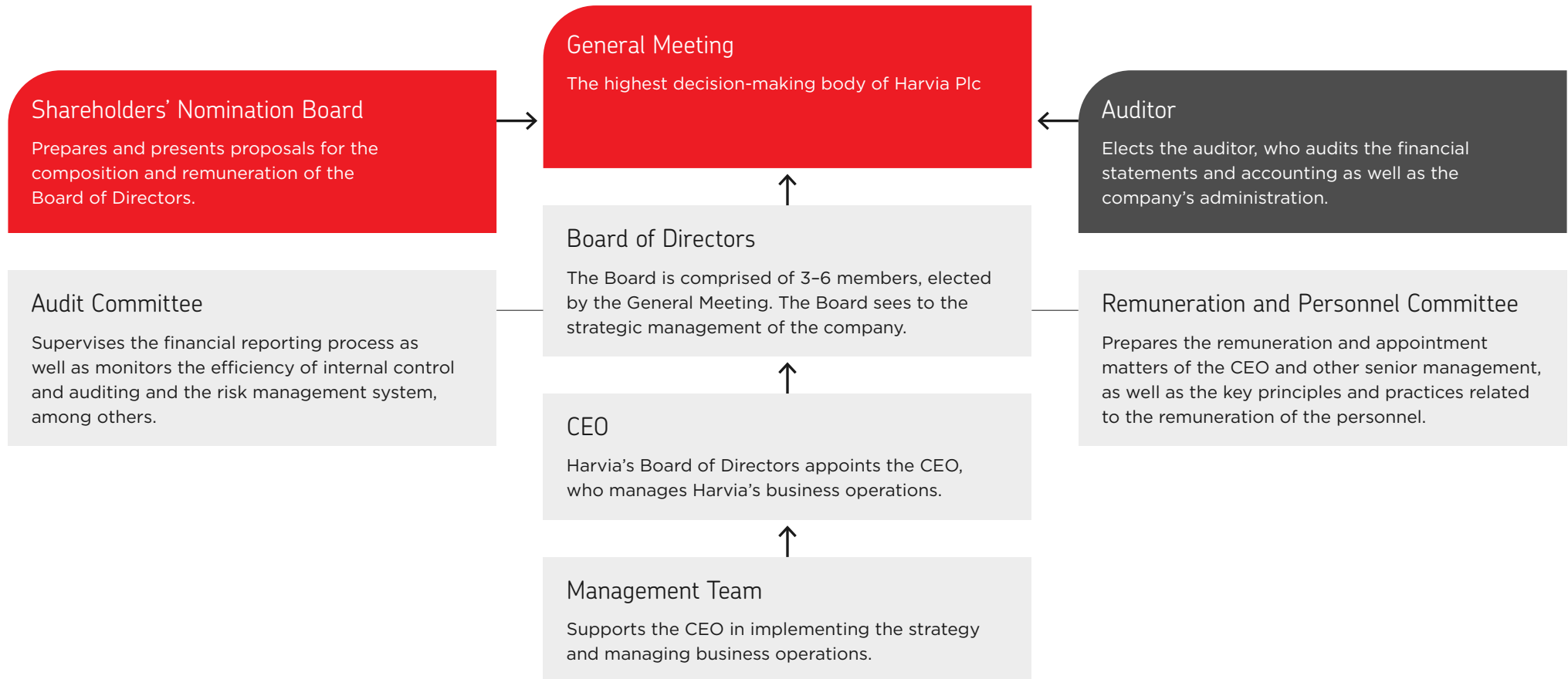
The Audit Committee of Harvia's Board of Directors has reviewed the Corporate Governance Statement and it has been approved by the Board. The company's auditor has reviewed that the statement has been issued and that the included description of the principles of internal control and risk management systems related to the financial reporting process is consistent with the financial statements.



HARVIA'S GOVERNANCE MODEL

Harvia's governing bodies comprise the Annual General Meeting, the Board of Directors, and the CEO. The General Meeting of shareholders is the highest decision-making body of the company. The Board of Directors and the CEO are responsible for

the management of Harvia. The Board has an Audit Committee and a Personnel and Remuneration Committee, which assist the Board. The Management Team assists the CEO in managing the company and the group.



ANNUAL GENERAL MEETING

The General Meeting of shareholders is the highest decision-making body of Harvia that decides on matters stipulated by the Finnish Limited Liability Companies Act and the company's Articles of Association. In the General Meeting, all shareholders of the company are entitled to raise questions and propose resolutions regarding issues on the agenda. Harvia has one share series, and every share entitles to one vote in the General Meeting.

The Annual General Meeting is held annually on a date set by the Board of Directors within six months of the end of the financial period. An Extraordinary General Meeting can be convened to resolve on a specific issue if the Board of Directors deems it necessary or it is otherwise required by law. Harvia's General Meeting is held in Muurame, where the company has a registered office, or in Helsinki, and is convened by the Board of Directors.

The Annual General Meeting's agenda includes:

- presenting the financial statements, which include the consolidated financial statements and the Report by the Board of Directors;
- presenting the Auditor's Report;
- deciding on the adoption of the financial statements and use of profit shown in the balance sheet;
- deciding on the discharging of the members of the Board of Directors and the CEO from liability;
- deciding on the remuneration of the members of the Board of Directors and the auditor;
- deciding on the number of members of the Board of Directors;

- electing the members of the Board of Directors;
- electing the auditor; and
- handling other possible matters included in the notice of the General Meeting.

The notice of the General Meeting is published on the company's website or by a newspaper announcement which is published in at least one national daily newspaper designated by the Board of Directors. The notice shall be delivered to shareholders no earlier than three months and no later than three weeks before the meeting, and in any case at least nine days before the record date.

To be entitled to participate in the General Meeting, a shareholder needs to be registered in the company's shareholder register at least eight (8) business days prior to the General Meeting (record date of the General Meeting). To be entitled to exercise their right to speak, vote and ask questions in the General Meeting, a shareholder must have registered their participation in the meeting in the manner stated in the meeting notice and no later than the date specified in the meeting notice which cannot be earlier than ten (10) days before the General Meeting. Holders of nominee-registered shares may also attend the General Meeting by temporary registration in the company's shareholder register. A shareholder may attend the General Meeting either in person, or via a representative authorized by the shareholder.

2024 ANNUAL GENERAL MEETING

Harvia's Annual General Meeting was held on 26 April 2024 in Helsinki. 210 shareholders were represented in the meeting via either advance voting, in person attendance or a legal or authorized representative.

At the start of the meeting, the participants represented 9,285,487 shares and votes, which amounted to approximately 49.68% of all shares and votes.

The shareholders and their representatives could participate in the Annual General Meeting and use their shareholder rights by both voting in advance and by submitting counterproposals and asking questions in advance, as well as by attending the Annual General Meeting event in person. In addition, they could follow the Annual General Meeting 2024 online via a webcast. Further information and the documents related to the General Meeting are available on Harvia's website.

BOARD OF DIRECTORS

According to Harvia's Articles of Association, the company's Board of Directors consists of three to six members. The members are elected in the Annual General Meeting for a term which expires at the end of the Annual General Meeting following their election. The Board of Directors elects a Chairperson from among its members for its term.

The majority of the Board members shall be independent of the company, with at least two of these members also being independent of the significant shareholders of the company. The Board of Directors assesses its members' independence of the company and its significant shareholders annually and as needed, in accordance with the criteria set in the Corporate Governance Code. In the selection of members, attention shall be paid to members' mutually complementary experience and competence in the company's field of business and development stage.

DUTIES OF THE BOARD OF DIRECTORS

The duties and activities of the Board of Directors are defined by the Finnish Limited Liability Companies Act, the Corporate Governance Code, other applicable legislation, Harvia's Articles of Association and the Rules of Procedure of the Board of Directors.

The key duties and operating principles of the Board of Directors are defined in the Rules of Procedure of the Board of Directors. The Board has general authority to decide on all matters related to the administration of the company and other issues that, according to the law or the Articles of Association, do not fall under the jurisdiction of the General Meeting or the CEO.

The Board of Directors:

- convenes the Annual and Extraordinary General Meetings in addition to preparing and submitting proposals to the General Meeting,
- defines the company's profit-sharing policy and submits a proposal concerning profit sharing to the General Meeting,
- decides on charitable donations within the framework provided by the Finnish Limited Liability Companies Act,
- defines the operating principles of the company's risk control system and internal controls,
- discusses and adopts the annual report and financial statements as well as the interim reports,
- decides on the establishment or disbandment of committees and confirms their charters,
- defines the diversity policy of the company's Board of Directors,
- monitors and assesses the financial reporting system,

- monitors and assesses internal control and inspection and efficiency of risk control systems,
- monitors and assesses the independence of the auditor and, in particular, non-audit services provided by the auditor,
- monitors the company's auditor, and prepares the election of the company's auditor.

In addition to the duties set out in legislation and in the Articles of Association, the Board of Directors handles matters that are significant to and which have a long-term impact on the extent and quality of the operations of the company and Harvia Group:

- the long-term vision and strategic goals and guidelines as well as the primary financial goals,
- the group structure and the budgets of group companies as part of the group's budget,
- strategically or financially important investments of the group, significant expansions or reductions in business operations,
- corporate transactions and business asset deals, and
- significant contingent liabilities and other matters with a material impact on the group's business operations.

Also, the Board of Directors appoints and dismisses the CEO and the members of the management team for their duties, and decides on their terms of employment and incentive systems.

The Board of Directors convenes usually 7–8 times a year in accordance with an agreed schedule. 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 final protocol that is signed by all board members. The Board of Directors is quorate when more than half of its members are present. The Board of Directors strives to make unanimous decisions. If necessary, the matter is resolved by a vote. Decisions are made by a simple majority of votes. In the event of a tie, the Chairperson's vote is decisive.

THE BOARD OF DIRECTORS IN 2024

Between 1 January and 26 April 2024, the members of the Board of Directors were Olli Liitola (Chairperson), Heiner Olbrich (Deputy Chair), Anders Holmén, Hille Korhonen, Markus Lengauer, and Catharina Stackelberg-Hammarén.

The Annual General Meeting on 26 April 2024 elected the members of the Board of Directors for a term that expires at the end of the next Annual General Meeting. Anders Holmén, Hille Korhonen, Markus Lengauer, Olli Liitola, Heiner Olbrich, and Catharina Stackelberg-Hammarén were re-elected as members.

The organizational meeting of the Board of Directors elected from among its members Heiner Olbrich as its Chairperson. Catharina Stackelberg-Hammarén was elected as Deputy Chair of the Board.

In 2024, the Board of Directors focused in its work on strategy, long-term financial targets, acquisition and integration processes, follow-up of the new organizational structure and its functions. The Board of Directors held a total of 16 meetings in 2024. Information about the attendance of the members of the Board of Directors in meetings is shown in the table on [page 26](#).

MEETING ATTENDANCE OF BOARD AND COMMITTEE MEMBERS IN 2024

Member	Board of Directors		Audit Committee		Personnel and Remuneration Committee	
	Attendance	Attendance, %	Attendance	Attendance, %	Attendance	Attendance, %
Heiner Olbrich, Chair of the Board	16/16	100%	3/3	100%	2/2	100%
Catharina Stackelberg-Hammarén, Deputy Chair of the Board	13/16	81%			2/2	100%
Anders Holmén	16/16	100%	8/8	100%		
Hille Korhonen	16/16	100%	8/8	100%		
Markus Lengauer	15/16	94%	5/5	100%		
Olli Liitola	16/16	100%			2/2	100%



The Board of Directors

on 31 December 2024



- Chair of the Board 2024-, Deputy Chair of the Board 2023-2024, member 2022-
- Chair of the Personnel and Remuneration Committee 2024-
- PhD (Economics), Master of Science (Business Administration)
- Born 1965, German citizen, male
- Main occupation: Board professional
- Harvia shares on 31 December 2024: 2,000



- Deputy Chair of the Board 2024-, member 2023-
- Member the Personnel and Remuneration Committee 2024-
- Master of Science (Business Administration)
- Born 1970, Finnish citizen, female
- Main occupation: Senior Vice President of Knowit Insight Oy 2022-
- Harvia shares on 31 December 2024: 1,485



- Member of the Board 2021-
- Member of the Audit Committee 2022-
- Master of Science, Economics
- Born 1977, Finnish citizen, male
- Main occupation: Managing Director of Fyrklöver-Invest Oy Ab 2013-
- Harvia shares on 31 December 2024: 1,685



- Member of the Board 2021-
- Chair of the Board's Audit Committee 2023-, member 2021-
- Licentiate of Technology
- Born 1961, Finnish citizen, female
- Main occupation: Board professional
- Harvia shares on 31 December 2024: 5,106



- Member of the Board 2023-
- Member the Audit Committee 2024-
- PhD (Mechanical Engineering), Master of Science (Engineering)
- Born 1965, Austrian citizen, male
- Main occupation: Board professional
- Harvia shares on 31 December 2024: -



- Member of the Board 2014-, Chair of the Board 2014-2024
- Member the Personnel and Remuneration Committee 2024-
- Master of Science in Engineering
- Born 1957, Finnish citizen, male
- Main occupation: Board professional
- Harvia shares on 31 December 2024: 46,873

INDEPENDENCE OF THE MEMBERS OF THE BOARD OF DIRECTORS

In accordance with the Corporate Governance Code, the majority of the Board members shall be independent of the company. At least two of these members shall also be independent of the major shareholders of the company.

The Board of Directors assesses its members' independence of the company and its major shareholders annually. The members of the Board of Directors, elected in the Annual General Meeting on 26 April 2024, were deemed to be independent of the company and its major shareholders based on an assessment of independence in accordance with the Corporate Governance Code.

SELF-ASSESSMENT

According to its Charter, the Board of Directors assesses its activities and ways of working annually as an internal self-assessment. The Board defines the criteria used in the assessment in the annual action plan.

The Board of Directors conducted the self-assessment in October 2024. The self-assessment emphasized the quality of the board work in general, active following of the investments made and multiple areas of company activities. The Chair of the Board reviewed and discussed the results of the self-assessment together with the Board members in the Board meeting in November 2024. The Board emphasized the importance of market and competition information as well as the interaction between the Board and the Management Team. The results of the Board's self-assessment were also presented to the Shareholders' Nomination Board in November 2024 before they met with the Board members individually.



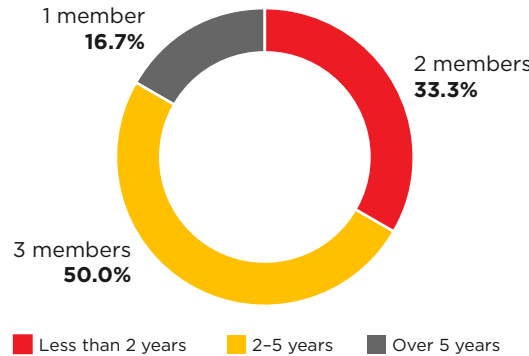
DIVERSITY OF THE BOARD

Harvia’s Shareholders’ Nomination Board takes into account the principles concerning the Board of Directors’ diversity in its work and its proposals. A person elected as a member of Harvia’s Board of Directors must have qualifications required for the task as well as adequate availability for carrying out the duties of a Board member. In the selection of members, attention shall be paid to members’ mutually complementary experience and competence in the company’s field of business and development stage.

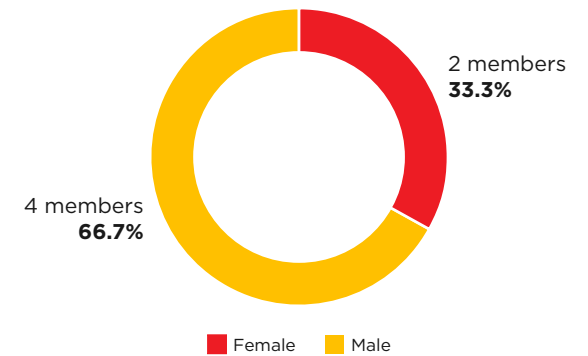
Varied professional and educational backgrounds support the diversity of the Board. The goal is to promote gender equality in the selection of Board members. Additionally, the objective is to ensure that the composition of the Board as a whole enables efficient management of the Board’s responsibilities and supports the development of Harvia’s business.

Harvia has evaluated that the diversity principles in relation to the composition of the Board of Directors were applied in the financial year 2024. In 2024, both genders and several nationalities were represented in the company’s Board of Directors. There are two females (33.3%) and four males (66.7%) among the six Board members elected by the Annual General Meeting in April 2024 based on the proposal of the Shareholders’ Nomination Board to the Annual General Meeting 2024. The members include four Finnish citizens as well as one German and one Austrian citizen. Also, the experience and competence profiles of the Board members are evaluated to be versatile and mutually complementary.

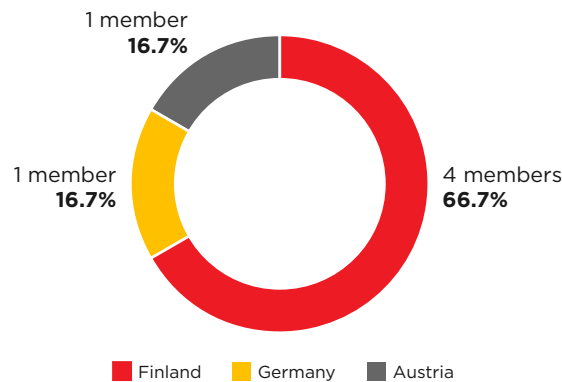
LENGTH OF MEMBERSHIP IN HARVIA PLC’S BOARD OF DIRECTORS



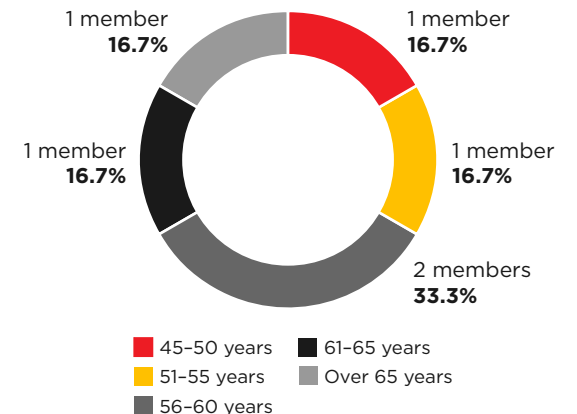
BOARD OF DIRECTORS’ DISTRIBUTION BY GENDER



BOARD OF DIRECTORS’ NATIONALITY



BOARD OF DIRECTORS’ AGE DISTRIBUTION



The graphs relate to the Board of Directors elected by the Annual General Meeting 2024.

AUDIT COMMITTEE

To enhance the efficiency of its work, the Board of Directors has set up an Audit Committee. The Committee has no independent decision-making authority; it functions as a preparatory body, and the matters it addresses are brought to the Board of Directors for decision.

The Board of Directors annually selects from among its members the chair and the members of the Committee and adopts its written Rules of Procedure. The Audit Committee consists of a minimum of three Board members. The majority of the members of the Committee must be independent of the company, with at least one member also being independent of the significant shareholders of the company. The members must have the qualifications required for the fulfillment of the Audit Committee's role, and at least one member must have expertise especially in accounting, bookkeeping or auditing.

According to its Charter, the Audit Committee focuses particularly on processing and preparing matters that relate to the company's financial reporting and internal control. The Audit Committee's duties consist particularly of

- monitoring the company's financial reporting process as well as the financial status and financing situation of the Group;
- handling the budget, forecast and assumptions related thereto;
- handling financial statements and board reports, interim financial reports and profit releases before they are submitted to the Board of Directors for approval;
- monitoring the efficiency of the company's internal control and internal audits as well as risk management systems;

- preparing a financial risk management policy and monitoring significant financial and other risks;
- monitoring the statutory audits;
- assessing the independence of the auditor and the quality and scope of the audit services;
- monitoring and assessment of other non-audit services;
- monitoring and assessing the company's corporate responsibility and sustainability reporting processes as well as monitoring and evaluation of sustainability report verification;
- preparing the election procedure for sustainability auditor;
- monitoring the procedures followed in sustainability reporting and the effectiveness of internal control and risk management
- monitoring, assessing and handling general corporate responsibility matters;
- monitoring and assessing the company's tax planning, reporting and matters.

AUDIT COMMITTEE IN 2024

Between 1 January and 26 April 2024, the members of the Audit Committee were Hille Korhonen (Chairperson), Anders Holmén and Heiner Olbrich. The Board of Directors, appointed in the Annual General Meeting on 26 April 2024, elected from its members Hille Korhonen (Chairperson), Anders Holmén and Markus Lengauer as members of the Audit Committee.

In 2024, the Audit Committee convened 8 times. The members' attendance in the meetings is described in the table on [page 26](#). In addition to the normal annual plan-related duties of the Audit Committee, the Committee focused in its work in 2024 especially on proposing and onboarding the new auditors for the Harvia Group, preparing and assessing the new

CSRD sustainability reporting as well as the group-wide integration and IT matters to support the new organizational model.

PERSONNEL AND REMUNERATION COMMITTEE

The Board of Directors resolved in April 2024 to establish a Personnel and Remuneration Committee to assist the Board by preparing the remuneration and appointment matters of the CEO and other senior management of the Group, as well as the key principles and practices related to the remuneration of the company's personnel.

The Board selects from among its members the members and the chair of the Committee at the organizational meeting. The Committee shall consist of at least three Board members. The majority of the members of the Personnel and Remuneration Committee shall be independent of the company.

According to its Charter, the duties of the Personnel and Remuneration Committee include

- preparing the governing bodies' remuneration policy and report;
- presenting the governing bodies' remuneration policy and report to the General Meeting and answering questions about them;
- preparing the appointment of the CEO and other members of the Management Team and succession planning;
- preparing and reviewing the remuneration of the CEO and other members of the Management Team;
- planning the remuneration of other personnel and organizational development; and
- monitoring and developing the company's organization and personnel matters.

In addition, the Personnel and Remuneration Committee may have other tasks that are appropriate to fulfill the role of the Committee. When carrying out its duties, the Committee shall act independently in relation to the operative management of the company.

PERSONNEL AND REMUNERATION COMMITTEE IN 2024

The Board of Directors, appointed in the Annual General Meeting on 26 April 2024, elected from its members Heiner Olbrich (Chair), Olli Liitola and Catharina Stackelberg-Hammarén as members of the Personnel and Remuneration Committee.

In 2024, the Personnel and Remuneration Committee convened 2 times. The members' attendance in the meetings is described in the table on [page 26](#). In 2024, the Personnel and Remuneration Committee focused in its work on preparing the overall compensation system of Harvia's CEO and Management Team including the long-term incentive system and short-term incentives for 2025. The Personnel and Remuneration Committee also participated actively in the search and selection of the new Head of the Continental Europe business region.

SHAREHOLDERS' NOMINATION BOARD

Harvia has a Shareholders' Nomination Board which prepares proposals concerning the election and remuneration of the Board Members, as well as the remuneration of the members of the various Board committees, to be submitted to Annual General Meetings and to any Extraordinary General Meetings where necessary.

The Shareholders' Nomination Board consists of representatives appointed by the company's four largest shareholders.

Each year, those four shareholders that hold the largest share of the votes conferred by all shares in the company on the first working day of the September preceding the applicable Annual General Meeting pursuant to the shareholders' register maintained by Euroclear Finland Ltd will be entitled to appoint members that represent the shareholders.

The Chairperson of the Board of Directors will convene the first meeting of each term of office of the Shareholders' Nomination Board, and the representative of the largest shareholder will be appointed as the Chair of the Shareholders' Nomination Board, unless the Nomination Board specifically decides otherwise.

The Shareholders' Nomination Board submits its proposal to the company's Board of Directors on an annual basis and at the latest on 31 January preceding the applicable Annual General Meeting.

On 9 September 2024, Harvia announced that the following persons were appointed as members of the Shareholders' Nomination Board:

- Juho Lipsanen (Onvest Oy, Member of the Board), male
- Minna Laaksonen (WestStar Oy, CFO), female
- Janne Kujala (Head of Nordic Equities, Evli Fund Management Company Ltd), male
- Josefin Degerholm (CEO, Nordea Funds Oy), female.

Heiner Olbrich, Chairperson of the company's Board of Directors, serves as an expert in the Nomination Board but is not a member.

Members of the Shareholders' Nomination Board during the term between 18 September 2023 and 9 September 2024 included Juho Lipsanen (Onvest Oy), Jarno Käyhkö (WestStar Oy), Timo Harvia (Tiipeti Oy), and

Annika Ekman (Mutual Pension Insurance Company Ilmarinen). Olli Liitola served as an expert in the Nomination Board but was not a member.

The Shareholders' Nomination Board held a total of 5 meetings in 2024 and also one in January 2025. All members attended each meeting. On 17 January 2025, the Nomination Board submitted its proposals for the number of members of the Board of Directors, for the composition and for the remuneration of the Board of Directors to Harvia Plc's Annual General Meeting, which is planned to be held on 8 April 2025. The Nomination Board was unanimous in its proposals.

CEO

The CEO is responsible for the day-to-day management of the company. The CEO is responsible for ensuring that the targets, plans, guidelines and goals set by the Board are carried out within Harvia. According to the Finnish Limited Liability Companies Act, the CEO ensures that the accounting practices of the company comply with the law and that the company's financial administration is arranged in a reliable manner.

The Board of Directors appoints and, if necessary, dismisses the CEO and decides on the CEO's terms of service, defined in a written service contract approved by the Board. The CEO is appointed for the post until further notice. The Board of Directors evaluates the CEO's work and performance in achieving the assigned targets. The CEO cannot be elected as Chairperson of the Board of Directors.

Matias Järnefelt acted as the CEO of Harvia in 2024. The CEO's financial benefits are introduced in the 2024 remuneration report.

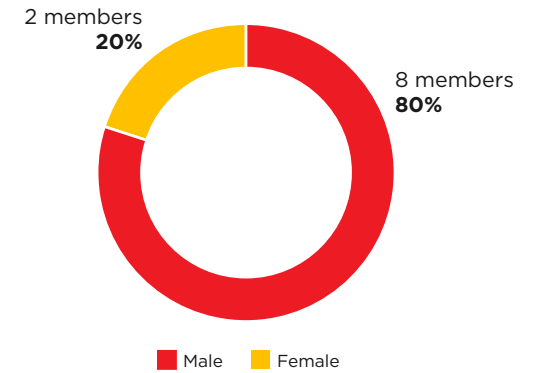
THE GROUP'S MANAGEMENT TEAM

The Management Team supports the CEO and is responsible for the development and operational management of the Group and its business, in accordance with the goals set by the Board of Directors and the CEO. The Management Team also defines the operating principles and procedures in line with the direction given by the Board of Directors. The Management Team convenes monthly, and when needed, and focuses on strategic questions concerning the Group and its businesses. Questions

and reports concerning financial development, governance, corporate responsibility and development projects are regularly on the agenda. The CEO acts as the chairperson of the Group's Management Team.

In 2024, the Management Team focused on working effectively on the new organizational model, strategic planning, executing the ThermaSol acquisition and starting the related integration program, in addition to the ordinary business management and development duties.

GENDER DISTRIBUTION OF MEMBERS OF THE MANAGEMENT TEAM



Members of the Management Team on 31 December 2024

MATIAS
JÄRNEFELT



- CEO
- M.Sc. Industrial Engineering and Management
- Born 1974, Finnish citizen, male
- CEO and member of the Management Team 2023–
- Harvia shares on 31 December 2024: –

DAVID
AHONEN



- Head of Region Asia-Pacific-MEA
- Vocational qualification in business and administration
- Born 1966, Finnish citizen, male
- Head of Region Asia-Pacific-MEA 2024–, member of the Management Team 2014–
- Harvia shares on 31 December 2024: 99,472

JENNIFER
THAYER



- Head of Region North America
- Business Administration studies in Purdue Global University, Indiana
- Born 1973, U.S. citizen, female
- Head of Region North America and member of the Management Team 2024–, President of Harvia US Inc. 2024–
- Harvia shares on 31 December 2024: –

ARI
VESTERINEN



- Chief Financial Officer
- Master of Science degree in Engineering and a Master of Business Administration (MBA) degree
- Born 1963, Finnish citizen, male
- Chief Financial Officer and member of the Management Team 2014–
- Harvia shares on 31 December 2024: 149,664

ANSSI
PELKONEN



- Head of Region Northern Europe
- Vocational qualification in business and administration
- Born 1964, Finnish citizen, male
- Head of Region Northern Europe 2024–, member of the Management Team 2014–
- Harvia shares on 31 December 2024: 62,140

MARKUS
WÖRMANSEDER



- Head of Products and Solutions, Head of Region Continental Europe
- Technical chemistry studies
- Born 1974, Austrian citizen, male
- Head of Products and Solutions and Head of Region Continental Europe 2024–, member of the Management Team 2017–
- Harvia shares on 31 December 2024: 106,000

Members of the Management Team

on 31 December 2024

PÄIVI
JUOLAHTI



- Head of Marketing and Brands
- Master of Science in Economics and Business Administration
- Born 1976, Finnish citizen, female
- Head of Marketing and Brands 2024–, member of the Management Team 2020–
- Harvia shares on 31 December 2024: 2,479

PHILIPP
KRAUTH



- Managing Director of EOS, Head of EOS Brands and Products
- Diplom Betriebswirt (BA), Business, Management, International Marketing
- Born 1967, German citizen, male
- Managing Director of EOS, Head of EOS Brands and Products and member of the Management Team 2024–
- Harvia shares on 31 December 2024: –

On 19 December 2024, Harvia appointed Ivan Sabato as Head of Region, Continental Europe and a member of Harvia Group's Management Team. Sabato will start in his position at the latest on 1 April 2025. Markus Wörmanseder, who currently serves as Head of Products and Solutions and interim Head of Region, Continental Europe, will continue in his position of Head of Products and Solutions when Sabato assumes his role.

The resumes of the members of the Management Team are available on the company website at www.harviagroup.com.

TIMO
HARVIA



- Head of Innovation and Technology
- Master of Science degree in Engineering
- Born 1978, Finnish citizen, male
- Head of Innovation and Technology 2024–, member of the Management Team 2014–
- Harvia shares on 31 December 2024: 102,385

MIKA
SUOJA



- Head of Operations
- Master of Engineering degree
- Born 1975, Finnish citizen, male
- Head of Operations 2024–, member of the Management Team 2016–
- Harvia shares on 31 December 2024: 36,527



PRINCIPLES OF INTERNAL CONTROL AND RISK MANAGEMENT RELATED TO THE FINANCIAL REPORTING PROCESS

Harvia compiles its financial reporting in accordance with the International Financial Reporting Standards (IFRS), the Finnish Securities Markets Act, the Finnish Accounting Act and the guidelines and statements of the Finnish Accounting Board, while also complying with the rules and regulations of the Financial Supervisory Authority and the rules of the Nordic Main Market Rulebook for Issuers of Shares.

The principles, instructions, practices and areas of responsibility in internal auditing and risk management relating to the company's financial reporting process are aimed at ensuring that the company's financial reporting is reliable and that the financial statements have been prepared in accordance with applicable laws, regulations and the company's operating principles. Harvia's financial reporting is supervised on two levels, in a separate company and at the Group level. On both levels, control measures and analyses are carried out to ensure the validity of financial reporting.

The Audit Committee of the Board of Directors is responsible for overseeing the financial reporting process.

OVERVIEW OF RISK MANAGEMENT

Risk management is part of Harvia's business management. Harvia Group's risk management is guided by the Risk Management Policy. The purpose of risk management is to promote the identification

of risks and their preventive management, to ensure an adequate level of risk management, and to include risk management as part of the company's business.

Harvia has a group-level risk assessment and reporting model. The Group carries out a comprehensive risk assessment annually in which the most relevant risks to the realization of the Group's strategy or other objectives are evaluated based on their likelihood and impact on business operations. As a part of the risk assessment process, the Group identifies possible scenarios as a way to identify relevant risks and developments that could lead to the realization of relevant risks. The annual risk assessment also evaluates the company's risk management measures. If needed, the risk assessment is updated, for example, for the risk assessment included in interim reports.

The Group's Management Team is responsible for the risk assessment and the execution of risk management. The results of the risk assessment are reported to the Audit Committee of the Board of Directors as well as to the Group's Board of Directors. The Audit Committee of the Board of Directors supervises the efficiency and expediency of the Group's risk management. Throughout the year, the Committee addresses specific risk management topics, supported by the results of the annual risk management process and identified relevant risks.

During 2024, Harvia updated its annual risk assessment process and strengthened its role as part of the work of the Group's Management Team. In addition, the risk assessment process was connected more firmly to the company's annual management and reporting processes.

INTERNAL CONTROL AND AUDIT

The objective of internal control at Harvia is to ensure the realization of the company's strategic, financial, operational and procedural targets, and to ensure compliance with applicable laws and regulations in the Group. The Group's internal control is an essential part of business management and of ensuring that the set objectives are reached. The Group aims to organize internal control efficiently so that any deviations from targets can be detected as early as possible or that they can be prevented.

Harvia's tools of internal control include internal policies, guidelines and instructions, together with manual controls as well as controls built into systems. In addition, internal control is implemented in the form of various monitoring reports and meetings.

The Board of Directors of Harvia is responsible for organizing the internal control, and the Audit Committee oversees the efficiency of internal control. The Group Management Team and the CEO of each Group company are responsible for the Group having functioning control procedures in use.

Harvia Group does not have its own internal audit function. The Board of Directors will annually assess the need for internal audit procedures and, if needed, may use internal company resources or external service providers for internal audit measures.

RELATED PARTY TRANSACTIONS

Harvia's Board of Directors has defined the principles for monitoring and evaluating related party transactions. The Group maintains a related party list intended to identify transactions that involve a person considered a related party to Harvia. Harvia's related parties include the Board of Directors and the Management Team and their closely associated persons as well as the companies under the control of the managers. Harvia's Board of Directors processes any significant related party transactions.

The company's Board of Directors decides on significant transactions carried out with Harvia's management and its related parties. The Board of Directors also decides on possible related party transactions that do not fall within the company's regular business or are not carried out with regular market terms.

In 2024, the company had no related party transactions that were significant to the company and deviated from its regular business or were carried out on other than normal market terms.

INSIDER MANAGEMENT

Harvia complies with the Market Abuse Regulation ((EU) No. 596/2014, "MAR"), including its amendments, and regulations issued under it, instructions issued by the authorities, as well as the insider guidelines of Nasdaq Helsinki Ltd. In addition, the company has supplemented Nasdaq Helsinki Ltd's insider guidelines with its own insider guidelines. The company maintains a list of

employees and service providers who have access to insider information. The company's insider list comprises one or more project-based insider lists. The company has estimated that it does not have insiders who would require a separate supplement to the insider list.

The company has appointed a person in charge of insider issues, who is responsible for maintaining insider lists, handling trading restrictions and the management of the obligation to notify and disclose transactions, internal communications related to insider issues, training on insider issues and the supervision of insider issues.

Harvia has internal procedures for publishing insider information, possible delayed disclosure of insider information and maintaining project-specific insider lists.

Harvia observes the trading ban on managers (closed window) specified in MAR article 19(11). In addition, the company has separately defined specific individuals who participate in preparing financial reports, or who have access to information related to such reports, as being restricted by a trading ban of similar length and content (closed window). The closed window begins 30 days prior to the publication of a financial statements bulletin, half-year report or interim report.

Harvia uses a whistleblowing channel that enables all stakeholders to report possible misconduct through Harvia Group's website. No suspected violations of the rules and regulations concerning the financial markets were reported through the reporting channel in 2024.

MANAGEMENT TRANSACTIONS

Harvia has determined that managers whose transactions shall be notified include members and deputy members of the Board of Directors, the CEO, and other members of the Management Team. These persons and their closely associated persons are required to notify the company and the Financial Supervisory Authority of every transaction conducted on their own account relating to the shares, debt instruments, derivatives or other financial instruments of Harvia. Harvia discloses the information via a stock exchange release without delay, at the latest within three business days following the execution of the transaction.

Managers may not conduct any transactions on their own account or on the account of a third party, directly or indirectly, relating to Harvia's shares, debt instruments, derivatives or other financial instruments during a closed period of thirty (30) calendar days before the publication of a financial statements bulletin, half-year report or an interim report.

AUDIT

The statutory audit covers the company's accounting, financial statements and administration for the financial year.

In addition to the annual auditor's report, the auditors regularly report their auditing observations to the Board of Directors and participate in the meetings of the Board's Audit Committee.

The company shall have an auditor which is an auditing organization approved by the Finnish Patent and

Registration Office. The term of the auditor expires at the conclusion of the Annual General Meeting following their election.

The company's Audit Committee prepares a proposal on the auditor and the remuneration of the auditor to the General Meeting, which elects the auditor and decides on their remuneration.

AUDIT IN 2024

Deloitte Oy acted as the company's auditor and as a certification authority for the company's sustainability reporting as of 26 April 2024 with Johan Groop, Authorized Public Accountant, acting as the principal responsible auditor.

The audit fees paid to Deloitte Oy in 2024 totaled EUR 166 thousand. Of the fees paid, EUR 160 thousand were fees for a statutory audit and EUR 6 thousand were comprised of other fees. The other fees were related to audit opinions on mergers.

PricewaterhouseCoopers Oy acted as the company's auditor until 26 April 2024 with Markku Katajisto, Authorized Public Accountant, acting as the principal responsible auditor. The audit fees paid to PricewaterhouseCoopers Oy in 2024 totaled EUR 100 thousand. Of the fees paid, EUR 90 thousand were fees for a statutory audit and EUR 10 thousand were comprised of other fees. The other fees were related to auditor opinions and certificates.

Audit fees paid to other firms totaled EUR 143 thousand. Of the fees paid, EUR 69 thousand were fees for a statutory audit and EUR 75 thousand were comprised of other fees. The other fees were related to restructuring in Germany as well as auditing related to a change in the accounting firm and bookkeeping system used in Hong Kong.

