

## YIT CORPORATION'S CORPORATE GOVERNANCE STATEMENT FOR 2017

This Corporate Governance Statement by YIT Corporation has been prepared separately from the Board of Directors' report, pursuant to the Finnish Securities Markets Act and the Finnish Corporate Governance Code. The Statement is available on YIT Corporation's website at [www.yitgroup.com/corporategovernance](http://www.yitgroup.com/corporategovernance).

The administration of YIT Corporation complies with valid legislation, the company's Articles of Association and the rules and regulations of bodies that regulate and supervise the operations of Finnish listed companies. YIT complies with the recommendations of the Finnish Corporate Governance Code approved by the Securities Market Association in October 2015, which took effect on January 1, 2016. The Code is publicly available on the Securities Market Association's website at [www.cgfinland.fi/en](http://www.cgfinland.fi/en).

YIT Corporation's auditor PricewaterhouseCoopers Oy has reviewed the description of the main features of the internal control and risk management systems in relation to the financial reporting process in this Statement and found it to be consistent with the financial statements. The Audit Committee of the Board of Directors reviewed the statement in its meeting held on January 31, 2018.

### Annual General Meeting

The Annual General Meeting is YIT's highest decision-making body, where the shareholders participate in the supervision and control of the company and exercise their right to speak and vote. The Annual General Meeting is held each year by the end of March on a date determined by the Board of Directors. Extraordinary General Meetings can be held when the Board of Directors deems it necessary or when required by legislation.

The Annual General Meeting makes decisions on matters falling within its scope of responsibilities by virtue of the Limited Liability Companies Act and the company's Articles of Association, such as:

- The approval of the financial statements
- The distribution of profits
- Discharging members of the Board of Directors and the President and CEO from liability
- The election of the Chairman of the Board of Directors, Vice Chairman and other

members, and the remuneration paid to them;

- The election of the auditors and the auditors' fees
- Amendments to the Articles of Association
- Decisions leading to changes in the share capital
- The purchase and transfer of company shares

The Chairman of the Board of Directors, the members of the Board of Directors, the President and CEO and the external auditor are all present at the General Meeting. Persons nominated to seats on the Board of Directors must always participate in the General Meeting deciding on their election.

### Annual General Meetings in 2017

The Annual General Meeting was held on March 16, 2017, in Helsinki. A total of 575 shareholders participated in the meeting personally or by proxy, representing 52,837,051 shares and voting rights, which was approximately 41.5 per cent of the company's shares and voting rights. The members of the Board of Directors, the President and CEO and the auditor were present at the meeting.

The Extraordinary General Meeting was held on September 12, 2017, in Helsinki. A total of 447 shareholders participated in the meeting personally or by proxy, representing 59,160,996 shares and voting rights, which was approximately 46.5 per cent of the company's shares and voting rights. All members of the Board of Directors, the President and CEO and the auditor were present at the meeting. The Extraordinary General Meeting resolved on the statutory absorption merger of Lemminkäinen Corporation into YIT Corporation and passed other resolutions, including the amendment of the Articles of Association, the merger consideration to be distributed to the shareholders of Lemminkäinen, the composition of the Board of Directors, the remuneration of the Board of Directors and a temporary deviation from the Standing Order of the YIT Shareholders' Nomination Board.

### Board of Directors

The Board of Directors supervises and controls the management and operations of the company. The duty of the Board is to promote the interests of all

shareholders and the Group by seeing to the administration and proper organisation of operations.

The Board of Directors comprises the Chairman and the Vice Chairman and three to five members elected by the general meeting of shareholders for one year at a time. The Articles of Association have no special provisions on the members of the Board of Directors. The majority of the members must be independent of the company. In addition, it is required that at least two of these members are independent of the major shareholders of the company. The President and CEO cannot be elected as the Chairman of the Board. Both genders must be represented on the Board of Directors.

The Board of Directors convenes regularly as summoned by the Chairman. A quorum is established when more than half of its members are present. An opinion supported by more than half of the members present becomes the decision. When the votes are even, the Chairman has the casting vote. The CEO as referendary and the Corporate General Counsel as secretary of the Board are present at Board meetings. Other Management Board members and heads of business units and functions attend the meetings when necessary. The President and CEO and the secretary of the Board prepare the meetings with the Chairman of the Board and draw up the agendas. The President and CEO ensures that the Board is provided with sufficient information on matters such as the structure, operations, markets and competitive situation of the company in order to carry out its tasks. The meeting agendas and materials are sent to Board members in good time before the meeting.

The Board of Directors and its committees have ratified standing orders. The members of the Board evaluate the operation of the Board and its committees each year, and the results are taken into account in the Board's work and its development.

#### Key tasks of the Board of Directors

Among other duties, the Board of Directors:

- ensures that the supervision of accounting and asset management is organised appropriately
- reviews and approves the company's Financial Statements and the Board of Directors' report as well as interim reports and half-yearly reports
- supervises and controls operating management

- elects and dismisses the CEO and his deputy, decides on their salaries and fees and agrees on the other terms of their employment
- convenes the Annual General Meeting and makes proposals on matters to be included on the agenda
- specifies the dividend policy and makes a proposal to the General Meeting on the dividend to be paid annually
- approves the Group's strategy, strategic goals and risk management principles
- approves budgets and action plans and oversees their implementation
- approves significant acquisitions and other investments
- Confirms the Group's functional structure
- Ensures the functioning of management systems
- Ratifies the Group's values and management principles
- monitors the Group's audit and monitors and evaluates the auditor's independence and the provision of non-audit services by the auditor
- Prepares a proposal for the election of the auditor

#### Diversity of the Board of Directors

The diversity principles ratified by YIT Corporation's Board of Directors refer to the different backgrounds of the Board members, such as age, gender, international experience, education, expertise and competencies. The aim of the diversity of the Board of Directors is to ensure that the Board of Directors is broad-based, versatile, has customer insight and stakeholder insight, and is creative and future-oriented. A sufficiently diverse Board of Directors supports the company's business and its development, promotes open discussion and independent decision making and is better equipped to support and challenge the operating management.

The members of the Board of Directors having different backgrounds, experiences and views supports the achievement of YIT Corporation's strategic objectives. Persons elected to the Board of Directors must be qualified for the position, taking into account the requirements and development stages of the company's business as well as the areas of expertise required by the Board of Directors and its committees. Persons elected as members of the Board of Directors must have the capacity to allocate sufficient time to managing their duties.

The long-term diversity objective is that the process of selecting and evaluating candidates for Board membership involves representatives of both genders to facilitate a balanced gender distribution on the Board of Directors.

#### Members of the Board of Directors and Board meetings in 2017

The members of YIT Corporation's Board of Directors between January 1 and March 16, 2017, were Matti Vuoria as Chairman, Juhani Pitkääkoski as Vice Chairman and Satu Huber, Erkki Järvinen and Inka Mero as members. The Annual General Meeting held on March 16, 2017, elected four (4) ordinary members to YIT's Board of Directors in addition to the Chairman and the Vice Chairman. As Chairman of the Board of Directors, the Annual General Meeting elected **Matti Vuoria**, born 1951, BA, LL.M.; as Vice Chairman **Juhani Pitkääkoski**, born 1958, LL.M.; and as members **Satu Huber**, born 1958, M.Sc. (Econ.), Chief Executive Officer of Elo Mutual Pension Insurance Company; **Erkki Järvinen**, born 1960, M.Sc. (Econ.); **Inka Mero**, born 1976, M.Sc. (Econ.), co-founder of the startup accelerator and investment company Pivot5 Oy; and, as a new member, **Tiina Tuomela**, born 1966,

M.Sc. (Eng.), Executive Vice President of Fortum, Generation Division.

All of the members of the Board of Directors were independent of YIT and its major shareholders. The Board of Directors convened 18 times during 2017. The members' total attendance rate was 96 per cent. The Board of Directors conducted a self-evaluation of its work during the period, assessing matters such as the efficiency of its work, the quality of information and materials submitted to the Board, the focal areas of its work and the targets set for management. The results of the evaluation are to be used in developing the Board's work.

A significant part of the Board's work in 2017 comprised preparations for and monitoring of the merger of YIT Corporation and Lemminkäinen Corporation as well as the decisions made with regard to the merger. Other key focus areas included matters pertaining to the company's financing, business in Russia, major projects under preparation and the foundation of a new business segment. Corporate General Counsel Juha Jauhiainen served as the secretary of the Board of Directors.

#### Share ownership of the members of the Board of Directors on December 31, 2017

Name	Position	Book-entry security type	Ownership
Vuoria Matti	Chairman of the Board of Directors	share	6,345
			0 (controlled corporation)
Pitkääkoski Juhani	Vice Chairman of the Board of Directors	share	53,391
Huber Satu	Member of the Board of Directors	share	7,567
Järvinen Erkki	Member of the Board of Directors	share	3,291
Mero Inka	Member of the Board of Directors	share	2,567
Tuomela Tiina	Member of the Board of Directors	share	2,567

#### Committees for the Board of Directors

The Board of Directors has two committees: The Personnel Committee and the Audit Committee.

The Board of Directors elects the members and Chairmen of the committees from among its members at its constitutional meeting following the Annual General Meeting. The committees have written standing orders ratified by the Board of Directors. The committees report to the Board of Directors on the matters dealt with by them and the

required actions on a regular basis at the Board meeting following each committee meeting.

#### Personnel Committee

The task of the Personnel Committee is to assist the Board in matters related to appointing and rewarding key personnel. Among other things, the Personnel Committee prepares proposals for the development of the Group's corporate culture and HR policy, remuneration and incentive schemes, the rules for performance-based bonuses, and the performance-based bonuses paid to the management. In addition,

identifying talents, the development of key personnel, and planning for management successors fall under the preparation responsibility of the Committee.

The Committee convenes as necessary and as summoned by the Chairman. It has a minimum of three and a maximum of five members, who all have knowledge of our business operations and business segments, as well as HR and reward-related matters. The majority of the members of the Personnel Committee must be independent of the company. The President and CEO and other members of the company's executive management cannot be members of the Personnel Committee. The Senior Vice President, Human Resources, serves as the Committee's secretary.

#### Personnel Committee in 2017

In 2017, the members of the Personnel Committee of the Board of Directors of YIT Corporation were Matti Vuoria as Chairman and Satu Huber and Inka Mero as members. The Committee convened a total of five times in 2017. The members' total attendance rate was 100 per cent. Pii Raulo, Senior Vice President, Human Resources, served as the Committee's secretary.

During the year, the Personnel Committee prepared rules for performance-based bonuses and the annual targets, key personnel categories and key personnel allocation of the long-term incentive scheme. The Personnel Committee also followed the progress of the HR strategy, supported the implementation of the HR plan, monitored the remuneration levels of senior management and, in conjunction with organisational changes, presented appointments of key personnel for confirmation by the Board of Directors.

#### Audit Committee

The Audit Committee assists the Board of Directors in the supervision of the Group's reporting and accounting processes. Its tasks include overseeing the financial reporting process of the company, the effectiveness of internal control, internal audit and risk management systems, as well as monitoring and assessing the audit. The Committee participates in the preparation of the Group's financing policy, financing plan and financing arrangements. The Committee reviews the company's Financial

Statements, Interim Reports and Half-Year Reports and monitors auditing. It evaluates compliance with laws and regulations and follows the Group's financial position.

The Committee convenes at least four times per year and more often if necessary. The Committee comprises 3–5 members, the majority of whom must be independent of the company, and at least one of the members must be independent of major shareholders. Persons with extensive knowledge of the Group's business operations and business segments and sufficient knowledge of accounting and accounting principles are elected as members. The Corporate General Counsel acts as the secretary of the Audit Committee.

#### Audit Committee in 2017

The members of the Audit Committee between January 1 and March 16, 2017, were Erkki Järvinen as Chairman and Satu Huber and Juhani Pitkääkoski as members. At its organisational meeting on March 16, 2017, the Board of Directors elected Erkki Järvinen as Chairman and Juhani Pitkääkoski and Tiina Tuomela as members of the Audit Committee.

The Audit Committee convened seven times in 2017. The members' total attendance rate was 100 per cent. Corporate General Counsel Juha Jauhiainen served as the Committee's secretary. The company's President and CEO Kari Kauniskangas, the Internal Audit Director Ari Ladvelin and, as the company's chief auditor, Juha Wahlroos (PricewaterhouseCoopers) also participated in the Committee's meetings, as did members of the company's management and experts, depending on the matters dealt with by the meeting.

During the financial period, in addition to its main tasks, the Audit Committee regularly discussed, among other things, preparations pertaining to the implementation of the IFRS 15 standard. Preparations for, and the monitoring of, the merger of YIT Corporation and Lemminkäinen Corporation as well as the preparation of matters and decisions pertaining to the merger also played a major role in the work of the Audit Committee. In addition, the Audit Committee monitored the progress of disputes and legal proceedings, and discussed, for instance, the Group's decision-making authorisations.

*Board members' attendance at meetings in 2017*

Name	Board of Directors	Personnel Committee	Audit Committee
Vuoria Matti	18/18	5/5	
Juhani Pitkääkoski	18/18		7/7
Satu Huber <sup>1</sup>	17/18	5/5	1/1
Erkki Järvinen	17/18		7/7
Inka Mero	17/18	5/5	
Tiina Tuomela <sup>2</sup>	16/17		6/6
Board members' average attendance rate	96%	100%	100%

1. Satu Huber was a member of the Audit Committee until March 16, 2017. The Audit Committee convened once before March 16, 2017.

2. Tiina Tuomela was a member of the Board of Directors and the Audit Committee starting from March 16, 2017. The Board of Directors and the Audit Committee each convened once before March 16, 2017.

## Shareholders' Nomination Board

The 2016 Annual General Meeting of YIT Corporation resolved to establish a Shareholders' Nomination Board for the company to prepare proposals on the election and remuneration of the members of the Board of Directors for the Annual General Meeting, and confirmed the proposal for the standing order of the Nomination Board.

The Shareholders' Nomination Board is a body comprised of the company's shareholders or their representatives, the duty of which is to prepare, in accordance with the Board's diversity principles, proposals on the election and remuneration of the members of the Board of Directors for the Annual General Meeting and, where necessary, for the Extraordinary General Meeting. The primary purpose of the Nomination Board is to ensure that the Board of Directors and its members have sufficient expertise, competence and experience in view of the company's needs, and to prepare proposals, with justifications, on the election and remuneration of members of the Board of Directors to the General Meeting for this purpose.

The Nomination Board comprises the company's three major shareholders or the representatives nominated by these shareholders. The right to nominate members to represent shareholders in accordance with the Standing Order rests with three shareholders who are registered in the shareholders' register maintained by Euroclear Finland Ltd or another operator on the last weekday of August in the year preceding the General Meeting, and who hold the largest number of votes conferred by shares according to the shareholder register.

The Nomination Board has been established to serve until further notice. The term of office of the

Nomination Board members ends at the appointment of new members every year.

The Nomination Board shall submit its proposal to YIT's Board of Directors every year, by the last weekday of January preceding the next Annual General Meeting. The proposals of the Nomination Board are published in a stock exchange release and included in the notice of meeting. Furthermore, the Nomination Board shall present and justify its proposals and give an account of its operations to the Annual General Meeting.

### Shareholders' Nomination Board 2017

In 2017 (selected in 2016) the Nomination Board comprised **Risto Murto**, CEO of Varma Mutual Pension Insurance Company, **Kalle Saariaho**, CEO of OP Fund Management Company Ltd., and **Antti Herlin**. The Chairman of YIT Corporation's Board of Directors, Matti Vuoria, served as an expert member on the Nomination Board, and Risto Murto served as Chairman of the Nomination Board.

The Nomination Board convened twice in 2017. Between meetings, the Nomination Board prepared its proposals under the leadership of its Chairman. The members' total attendance rate was 100 per cent.

In the Extraordinary General Meeting of YIT Corporation held on September 12, 2017, it was decided to make a one-time exception to the standing order of the Shareholders' Nomination Board of YIT.

Pursuant to the one-time exceptional decision, the right to nominate members to the Nomination Board, which prepares proposals for General Meetings to be held during 2018 shall rest, in accordance with the standing order, with the three largest shareholders who are registered in the



shareholders' register on the registration date of the execution of the merger of YIT Corporation and Lemminkäinen or, if not a business day, on the first business day following such registration date.

Further, it was stated that the Nomination Board shall have a reasonable time to prepare its proposals before the Annual General Meeting 2018 instead of having time until the end of January 2018 and that the Nomination Board shall in such case publish its proposals as soon as practically possible. In all other respects, the Nomination Board shall follow the current Standing Order.

## President and CEO and his deputy

The President and CEO attends to the day-to-day administration of the company in accordance with the instructions and regulations laid down by the Board of Directors. The Board of Directors appoints and discharges the CEO and supervises his operation. The Board of Directors also decides on the CEO's salary and fees and other terms of the service contract. The CEO ensures that the company's accounting is lawful and asset management is organised reliably. YIT's President and CEO serves as Chairman of the Group's Management Board.

Since July 2013, YIT Corporation's President and CEO has been Kari Kauniskangas, M.Sc. (Eng.), B.Sc. (Econ.) (born 1974), with Tero Kiviniemi, M.Sc. (Eng.), EMBA (born 1967) acting as his deputy until October 9, 2017 and Esa Neuvonen,

M.Sc. (Econ.) (born 1967) acting as his deputy since October 9, 2017.

## Management Board

YIT Corporation's Management Board is the highest operational decision-making body and is responsible for allocating resources to the business segments. The Group Management Board is also responsible for assessing the performance of the business segments.

The President and CEO and other members appointed by the Board of Directors make up the Group's Management Board. The President and CEO appoints the Management Board's secretary. The Group Management Board, which meets on a regular basis, approximately once a month, assists the Group CEO with operational planning and management and prepares matters that are to be processed by the Board of Directors. Among other duties, the Management Board formulates and coordinates the Group's strategic and annual planning, supervises the implementation of plans and financial reporting and prepares significant investments, mergers and acquisitions. The development of the Group's internal co-operation and the promotion of joint development projects are among the Management Board's key duties. The President and CEO is responsible for the decisions made by the Management Board. The task of the members of the Management Board is to implement the decisions in their respective areas of responsibility.

### *Management Board in 2017*

Name	Year of birth	Position and duties	Education	Share ownership
Kari Kauniskangas	1974	Director Chairman of the Management Board	M.Sc. (Eng.), B.Sc. (Econ.)	30,374
Esa Neuvonen	1967	Deputy to the President and CEO, Chief Financial Officer	M.Sc. (Econ.)	0
Teemu Helppolainen	1962	Head of the Housing Russia Segment	M.Sc. (Econ.)	13,875 (2,600 shares held by a controlled corporation)
Antti Inkilä	1969	Head of the Housing Finland and CEE Segment	M.Sc. (Tech.)	6,777
Juha Kostiainen	1965	Senior Vice President, Sustainable Urban Development	M.Sc. (Tech.), D. Sc. (Adm.)	1,020
Timo Lehmus		Head of Business Premises and Infrastructure segment	M.Sc. (Eng.), eMBA	28,565
Juhani Nummi	1967	Senior Vice President, Business Development	M.Sc. (Tech.)	8,119
Pii Raulo	1967	Senior Vice President, Human Resources	M.Sc. (Econ.)	11,360

From January 1, 2017 to October 9, 2017 Tero Kiviniemi acted as the Executive Vice President, deputy to the President and CEO, and Head of Business Premises and Infrastructure segment. Effective from October 9, 2017, CFO **Esa Neuvonen** was named the deputy to the President and CEO and **Timo Lehmus** was named the Head of the Business Premises and Infrastructure segment and a member of the Management Board.

## The main characteristics of the internal control and risk management systems connected with the financial reporting process

### Control environment

YIT Corporation's financial reporting and supervision are based on budgets drafted and ratified every six months as well as on monthly performance reporting. The Groups' financial reporting is based on financial data on the profitability of business provided by each cost centre, combined with segment-level and Group-level data. YIT Corporation's business is characterised by project-type operations, due to which financial reporting applies the percentage of completion method (POC) in accordance with the degree of completion and sales, for example. Accurate information on the degree of completion and sale of the project and the final cost estimate are essential for the reliability of financial data in project business.

The aim of the internal control and risk management systems related to the financial reporting process is to ensure the harmonised and reliable reporting of the Group's financial results in a manner compliant with applicable laws and regulations and the reporting principles confirmed in YIT Group. The responsibilities of risk management and internal control are defined in the Group's risk management policy as well as in the standing orders of the Group and its business segments. The standing orders describe the key tasks, operations and responsibilities of the different administrative bodies. The Group's business reporting process has been decentralised to the segments that are responsible for business results, thus making internal control also a part of the segments' operations.

Group accounting, which works under the supervision of the Group's CFO, defines and communicates the principles related to financial reporting, maintains the tools required for accounting and reporting and prepares the official financial statements published by the Group. The

financial management of the business segments are responsible for ensuring that reporting within segments is carried out according to instructions. The Group's financing, IT administration, investor relations and insurance matters as well as the preparation of its most significant corporate acquisitions are centralised.

### Identification and assessment of risks related to financial reporting and risk management

The Group's financial and financing management is responsible for identifying and assessing risks in relation to financial reporting. The processes and systems of financial reporting are developed and their effectiveness analysed continuously. Risks related to financial reporting are managed with the help of the Group's accounting manual, financing policy, investment guideline, acquisition instructions and internal audit.

In 2017, the Group harmonised its accounting principles and accounting systems. Preparations continued for the financial service centre of the Housing Russia segment. The finance function was actively involved in the development of new project and financing models.

### Communications

The Group's CFO and Investor Relations are responsible for the publication and release of financial information and for the fulfilment of disclosure obligations concerning a listed company. Investor Relations are also responsible for the planning and implementation of investor communications and for daily contact with investors and analysts.

The aim of the company's Investor Relations is to support the appropriate valuation of YIT shares by providing all market parties with all essential information concerning YIT in a continuous and consistent manner.

Corporate Communications maintain YIT's communications policy, published on the Group's website, as well as the internal guidelines for external and financial communications, which define YIT's practices in relation to the disclosure of financial information. The instructions pertaining to financial reporting is available to personnel on YIT's intranet.

### Monitoring

YIT's business segments are responsible for the accuracy of the segment data presented in interim

reports and financial statements. The Group's accounting department is responsible for the accuracy and scope of the Group-level numerical data as well as their compliance with rules and regulations. The Audit Committee reviews information that is to be published and submits them for the Board of Directors' approval.

The Group's financial management board convenes on a monthly basis. It is composed of the segments' chief financial officers as well as representatives from Group accounting, Group financing and IT administration. The Group's Corporate General Counsel, Tax Director and the head of internal audit can also participate in meetings of the financial management board. The financial management board addresses all process and development issues concerning the business segments.

YIT Corporation's internal audit organisation supports the management in the development and supervision of risk management, internal control and good corporate governance. The internal audit reports to the Audit Committee of the Board of Directors and administratively to YIT's President and CEO. The targets of the internal audit are selected annually based on risk. The focus of the internal audit has typically been on project risk management, new geographic or functional operating areas and semi-annually defined risk areas.

The internal audit's work is co-ordinated with other Group functions and financial auditing. The internal audit also works closely together with the Group's corporate security organisation and, with respect to misconduct risks, participates in the work of the Ethics Committee.

## Related party transactions

During the financial year, YIT did not have material related party transactions that deviated from the company's normal business operations or were not made on market or market equivalent terms. The company maintains a list of related parties and potential related party transactions are reported in connection with the company's consolidated financial statements.

## Insider administration

At YIT, the insider administration is responsible for internal communication and training related to insider matters as well as drawing up and maintaining insider lists and submitting it to the

Finnish Financial Supervisory Authority upon request.

The insider administration also ensures that trading restrictions and the obligation to notify transactions by managers and their closely associated persons are complied with. The insider administration is responsible for internal communication, training, supervision and monitoring regulatory changes in matters pertaining to the trading restriction and notification obligation. It maintains a list of managers and their closely associated persons, informs managers of their obligations related to trading restrictions and the notification of transactions, is responsible for providing guidance to managers regarding the provision of information to their closely associated persons regarding the closely associated persons' notification obligation as well as the publication of transactions in stock exchange releases, the practical implementation of which is the responsibility of the Investor Relations (IR) function.

The person in charge of insider matters at YIT Corporation is the Corporate General Counsel.

## Audit

YIT has one auditor, which must be an approved and registered auditing firm pursuant to the Auditing Act (1141/2015).

The Annual General Meeting elects the auditor based on the proposal of the Board of Directors. The Board's Audit Committee prepares the draft resolution concerning the election of the auditor. The auditor audits the company's accounting, financial statements and administration for the financial year. The parent company's auditor must also audit the consolidated financial statements. The auditor reports regularly to the Board of Directors and its Audit Committee and gives YIT's shareholders an Auditor's Report as required by law.

Pursuant to the decision of the Annual General Meeting, the auditor's fee is paid as per the invoice approved by the company. We comply with the provisions of the Finnish Accounting Act and the EU Audit Regulation regarding the maximum duration of the auditor's terms of office and, in electing the auditor, we also take into consideration that the duration of the chief auditor's consecutive terms of office may not exceed seven years.

YIT's auditor is the auditing firm PricewaterhouseCoopers Oy, with Authorised Public Accountant Juha Wahlroos as the chief auditor.



*Audit fees in 2017*

<b>EUR million</b>	<b>2017</b>	<b>2016</b>
Audit fee	0.8	0.8
Statements	0.1	0.0
Tax services	0.0	0.0
Other services	0.8	0.1
<b>Total</b>	<b>1.7</b>	<b>0.9</b>

**Board of Directors' report**

The Board of Directors issued its report for 2017 on January 31, 2018. The Board of Directors' report will be published simultaneously with the Corporate Governance Statement and the Remuneration Statement on the company's website at [www.yitgroup.com/corporategovernance](http://www.yitgroup.com/corporategovernance).