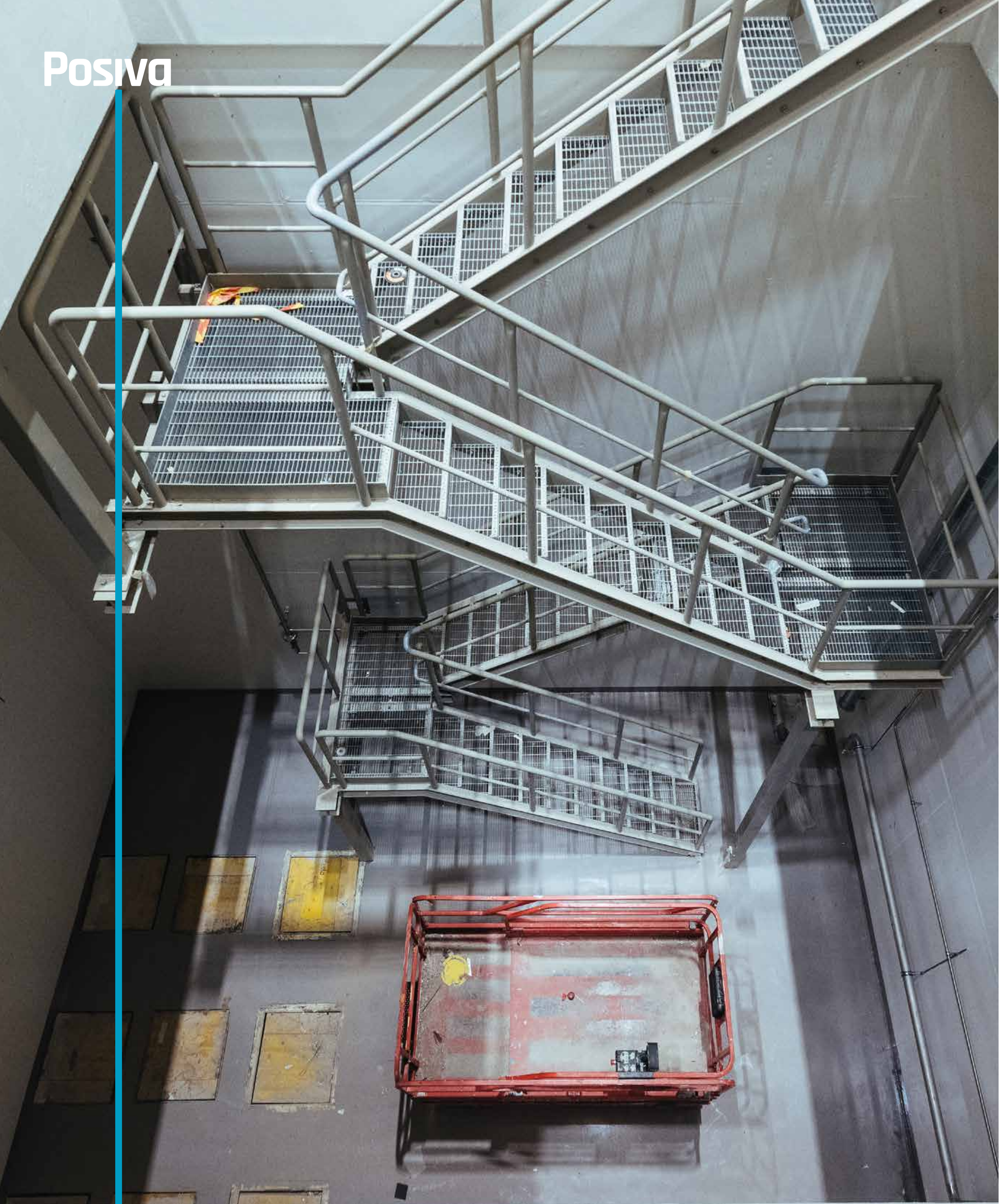
ANNUAL REPORT 2023

Posiva

Global leader
in final disposal



Review of the year 2023 by the President and CEO

When I started as Posiva's President and CEO in early November 2023, I knew that I was taking on a significant role that carries a lot of responsibility. Nuclear energy is aligned with sustainable development, and the final disposal solution for spent nuclear fuel is a key part of the operation and life cycle of nuclear power. Posiva Oy's (Posiva) owners Teollisuuden Voima Oyj (TVO) and Fortum Power and Heat Oy (Fortum) manage the recycling of waste generated at the Loviisa and Olkiluoto nuclear power plants and the final disposal of nuclear fuel in a sustainable manner.

Posiva is currently building the disposal facility complex in the EKA project in accordance with the implementation decision made in the summer of 2019. The execution of Posiva's vision, "Global leader in final disposal", can be seen in the progress of the EKA project and in the preparation for production activities in final disposal. An operating licence application for the encapsulation plant and disposal facility was submitted to the Finnish Government in December 2021. With the exception of a small delay, its processing has progressed fairly well. In September 2023, the Radiation and Nuclear Safety Authority (STUK) reported that the safety assessment and statement on the operating licence application for the disposal facility for spent nuclear fuel will be completed in 2024. In December, the European Commission accepted Posiva's notification pursuant to Article 37 for starting final disposal activities.

During 2023, the installation and commissioning phase continued in the construction of Posiva's facilities. The underground construction and technical building services work proceeded well and according to schedule. One significant event was the commissioning of a personnel lift between the lifting equipment building and the underground facilities. Installation work on the canister lift also progressed.

The manufacture of the final systems for the encapsulation plant is on the final stretch.

The manufacture of the final systems for the encapsulation plant is on the final stretch. In 2023, a machining station was installed next to the canister welding station, among other things. Underground, at a depth of 430 metres, the remote operation of the AGV platform, which operates under demanding conditions, was tested and the first test deposition holes were drilled by in-house personnel. Due to delivery delays affecting some systems, the joint functional test (simulating final disposal with non-irradiated dummy fuel elements) which was planned for late 2023 will start in 2024.

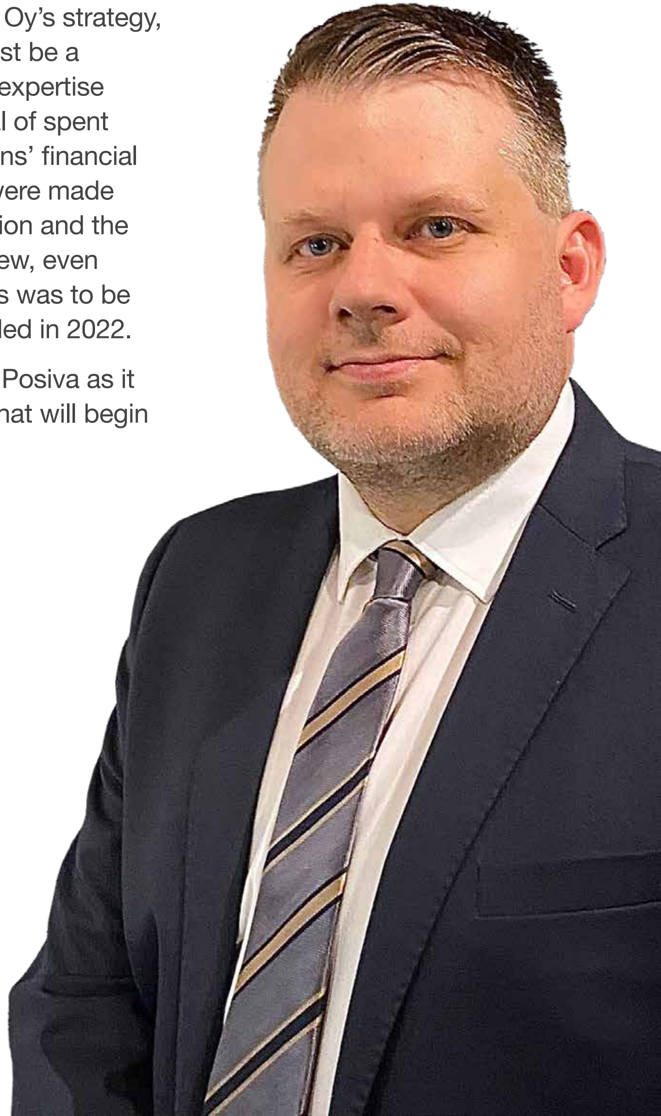
Preparation for the production phase has advanced according to plan. Operator recruitment for the third phase was started during the latter part of the year. Advances were also made in the preparations for the supply chains for the canister and bentonite components required for production. More supplier alternatives were still being sought for the canister components.

In 2022, the European Commission made the decision to include nuclear power in the EU taxonomy. Going forward, the taxonomy can be used to assess which financial activities are counted as environmentally sustainable investments within the EU. Posiva's final disposal solution and the way Finland manages its spent nuclear fuel played an important role in the decision.

According to the vision defined in Posiva Solutions Oy's strategy, the company must be a global market leader in the sales of expertise and technology for the final disposal of spent nuclear fuel. In 2023, Posiva Solutions' financial results were positive. Investments were made towards the growth of the organisation and the company's international turnover grew, even though total turnover was down – as was to be expected due to a contract that ended in 2022.

The year 2024 will be significant for Posiva as it prepares for the production phase that will begin in the mid-2020s.

Ilkka Poikolainen
President and CEO
Posiva Oy



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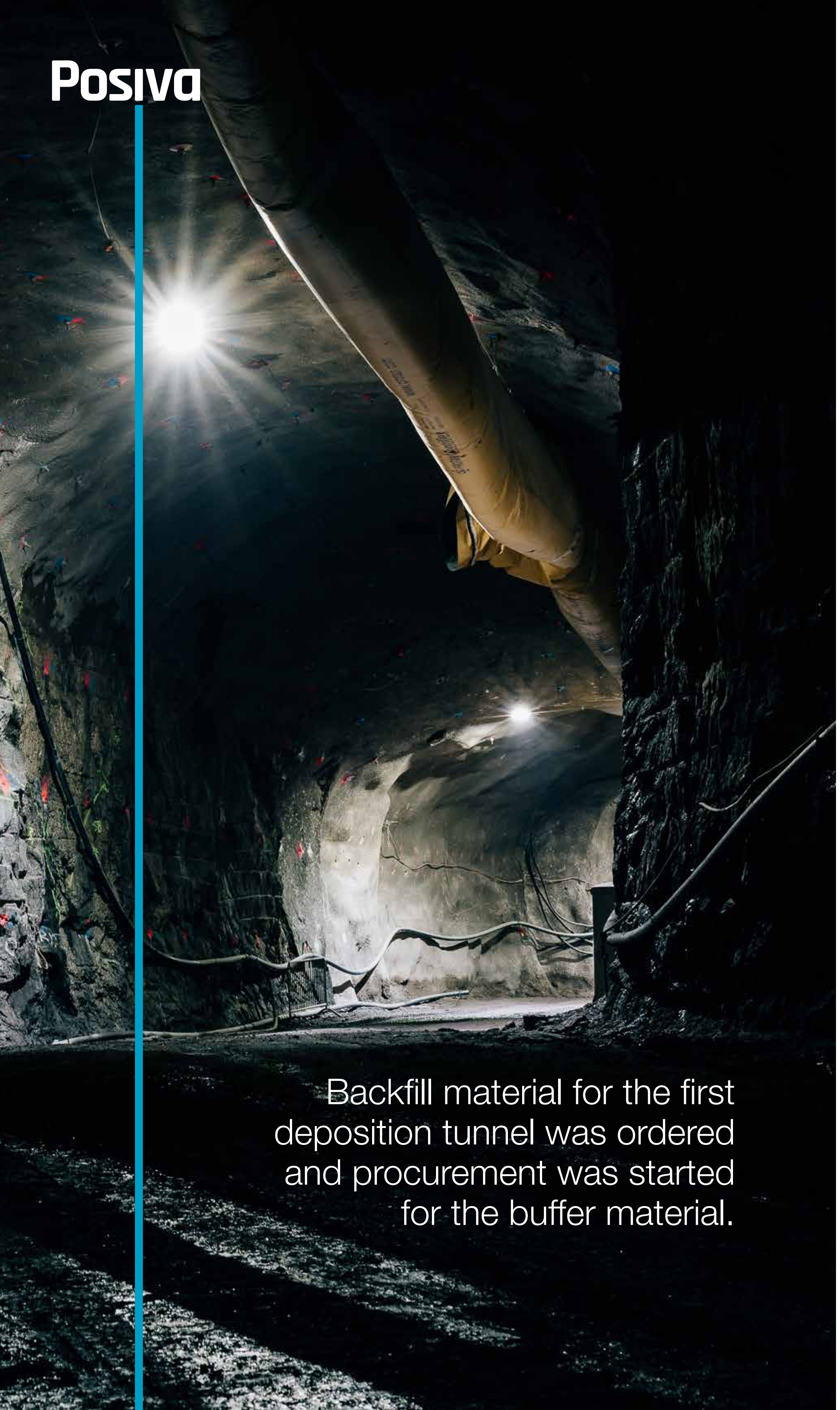


Backfill material for the first deposition tunnel was ordered and procurement was started for the buffer material.

Advances were made in the preparations for the supply chains for the canister and bentonite components and the suitability assessment for the deposition holes in the first deposition tunnel was completed

During 2023, the inspection of the safety case submitted as part of Posiva's operating licence application was under way at STUK. During the inspection, requests for additional clarification were received from STUK and Posiva responded to them.

The manufacture of the copper and insert components for the canisters used in the joint functional test as well as the buffer and backfill components was under way in 2023. The development of the manufacturing methods for the final disposal canister insert, copper tube, copper lid and copper bottom as well as the copper bottom's friction stir welding method continued together with potential suppliers. Contracts were also being prepared with them for the final disposal period.

The development of the non-destructive testing methods for the canister components and the copper lid continued, and the inspection equipment was installed and commissioned. STUK approved the qualification for the NDT methods for the copper components and weld, and the qualification documentation for the insert was submitted to STUK for approval.

The qualification of the final disposal canister was continued by creating construction plans for the copper and insert components. The method test plan for the copper tube manufacturing method was completed, STUK approved it, and the method test was performed.

Projects related to the long-term performance of the buffer, deposition tunnel backfill and the closure of other underground facilities were concluded. The qualification of the buffer and backfill for final disposal activities was continued by producing system documentation and updating construction plans. Method tests for the manufacturing of the buffer and backfill were completed and their results were reported in the construction plans.

Backfill material for the first deposition tunnel was ordered and procurement was started for the buffer material.

The follow-up of the Full scale In-Situ System Test (FISST) was continued, the measurement data was analysed and results were reported to the authority and to other stakeholders.

Based on the deposition hole investigation campaign performed in the joint functional test tunnel, a suitability assessment was prepared to determine the holes to be used for the joint functional test.

In the first deposition tunnel, an investigation campaign for pilot deposition holes was carried out. A suitability assessment was drawn up on the basis of the investigation results, based on which 33 deposition holes may be drilled inside the tunnel.

The characteristics of the site at Olkiluoto were followed according to the monitoring programme. No significant changes occurred in the site conditions, and the conditions remained favourable for final disposal. Competence development was continued, especially in the various areas of monitoring. With this, Posiva's employees are now doing most of the expert work related to monitoring themselves, whereas substantial amounts of expert work was previously ordered from outside Posiva.

The disposal facility's construction and final disposal activities will result in temporary groundwater disturbances at Olkiluoto. A special modelling tool for examining their restoration is being developed in a joint development project by Posiva and SKB. The modelling tool considers the chemical reactions taking place in the groundwater and, once complete, it will be used to create a groundwater model for Olkiluoto.

Among other things, the development of the modelling tool utilises the model from the "OL-STAR" project started in 2022 that describes the development of the Olkiluoto groundwater, and especially its sulphur and sulphide, in the long term. The project aims at re-establishing the groundwater limit values used in the disposal facility's construction; these limit values are based on the restoration of the conditions in the long term and, thereby, allow for higher than current deviations from the groundwater's basic state. This allows for optimising the grouting of joints in bedrock that is performed during the construction of the disposal repositories, among other things. The projects progressed as planned.

Posiva has a special management group for long-term safety, and it focused on assessing the changes related to starting production and observations related to practical implementation from the perspectives of long-term safety and the safety case.

The installation and commissioning phase of the encapsulation plant has continued.

Progress was made with plant design, construction and preparing for the production phase

The planning of the disposal facility focused on the planning performed during the work. The planning is finished within the scope required for starting the final disposal activities. In 2023, the dimensioning plan for the entire disposal repository was also updated to match the latest initial data. The update also considered the latest data on the thermal conductivity of the bedrock.

The construction and technical building services contract for the disposal repository inside ONKALO® was completed and accepted in August. The scope of the contract covered the technical facilities, vehicle connections and the initial sections of the central tunnels. Work continued with separate contracts and finishing. The commissioning of the technical building systems is under way and approximately 50% of them have been commissioned. Rock construction work continued with grinding and reinforcement work.

The installation and commissioning phase of the encapsulation plant has continued. In the qualification of the encapsulation plant's systems, the focus was on drawing up the final construction and commissioning plans for the installation phase and having them approved by the authority. The manufacturing phase for the main equipment for the encapsulation process progressed, and equipment installations and the commissioning of systems continued. Installed and commissioned systems included, among others, the docking stations for the canister and transport container

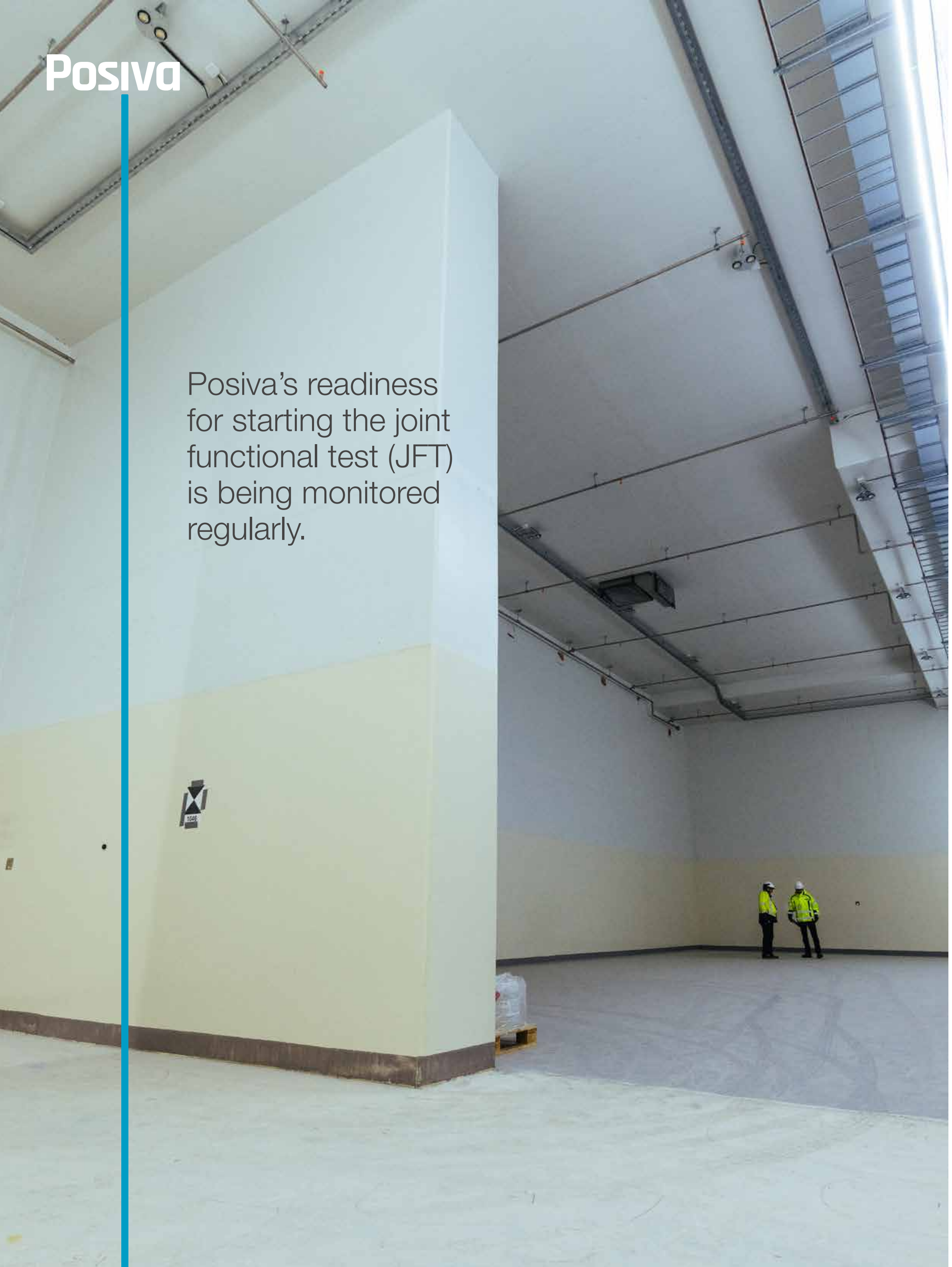
and the canister machining station. The canister transfer forklifts were also completed and commissioned. Approximately 95% of equipment and systems have been installed and 85% have been commissioned.

The personnel lift that runs to the disposal repository was completed and commissioned in the lifting equipment building that acts as the entrance to the nuclear facilities. Installations related to security arrangements and radiation monitoring were completed.

The implementation of the production equipment for final disposal progressed. The manufacture of the canister installation equipment continued and advanced to the assembly phase. Manufacture of the buffer installation system components continued and the buffer installation device reached the readiness for factory testing. The assembly of the buffer transfer equipment is under way. The equipment for the deposition tunnel's granular backfill installation system was completed and joint tests with AGV vehicle platforms were started. The AGV vehicle platforms were completed, and they are used in the installation tests for the granular backfill and buffer installation systems.

Preparing for the production phase has progressed according to plans towards the joint functional test (JFT) and the start of final disposal activities.

Training that aims at the production stage was continued according to plans as regards operation and maintenance as well as other personnel. Key resources from TVO also participated in the trainings as planned and according to their duties. Representatives from the Production function actively participated in the equipment tests and commissioning in order to gain expertise and to advance the work.



Posiva's readiness for starting the joint functional test (JFT) is being monitored regularly.

At the end of 2023, an additional recruitment of operators was launched in order to reinforce resourcing for the JFT and the operating phase. The practical implementation of the Maintenance resourcing model was continued and the first maintenance contracts were signed.

In early June, as Posiva took over responsibility for the encapsulation plant, the operation of Posiva's work permit office was started. Its operation follows the same principles as in the production phase, while taking into account the boundary conditions for the installation and commissioning phase. Work permits are prepared using Olkiluoto's maintenance system. Posiva's Operations Manager acts as the head of the work permit office.

Significant progress was made with the task related to Posiva's manuals and procedures. In early 2023, a new Production phase data management project was launched in order to manage data streams in the production phase and, for example, to smoothly gather data before its submission to the authorities. Commissioning tasks, the definition of operating functions and planning for the production phase progressed. The annual cycle plan for stabilised production was updated during the spring. The Joint Functional Test project has progressed according to plan, and readiness in terms of the project will be reached when technical readiness is achieved.

Posiva's readiness for starting the joint functional test (JFT) is being monitored regularly. The criteria for readiness to start final disposal and indicators for organisational readiness were also included in the monitoring. They will provide a situational picture of the progress of preparations for the production phase.

Posiva's organisation

CEO / PROJECT DIRECTOR
Ilkka Poikolainen

Posiva Solutions Oy
CEO
Mika Pohjonen

Separate projects:
Operating licence - Samu Myllymaa
Monitoring - Tuomas Pere

CANISTER AND SPENT FUEL	BUFFER, BACKFILL, AND CLOSURE	SAFETY CASE	DISPOSAL FACILITY	ENCAPSU-LATION PLANT	DISPOSAL PRODUCTION EQUIPMENT	PREPARATION FOR PRODUCTION
Programme Manager Petri Koho	**Programme Manager** Ville Heino	**Programme Manager** Anne Kontula	**Programme Manager** Iiro Engren	**Programme Manager** Kimmo Kemppainen	**Programme Manager** Jarkko Stenfors	**Programme Manager** Ari Maarni
Steering Group Chair Tiina Jalonen	**Steering Group Chair** Ari Posti	**Steering Group Chair** Tiina Jalonen	**Steering Group Chair** Petteri Vuorio	**Steering Group Chair** Juha Riihimäki	**Steering Group Chair** Petteri Vuorio	**Steering Group Chair** Karri Osara

Project Management - Ari Posti

Safety - Kari Kaukonen

Development - Tiina Jalonen

Plant Engineering - Petteri Vuorio

Construction - Juha Riihimäki

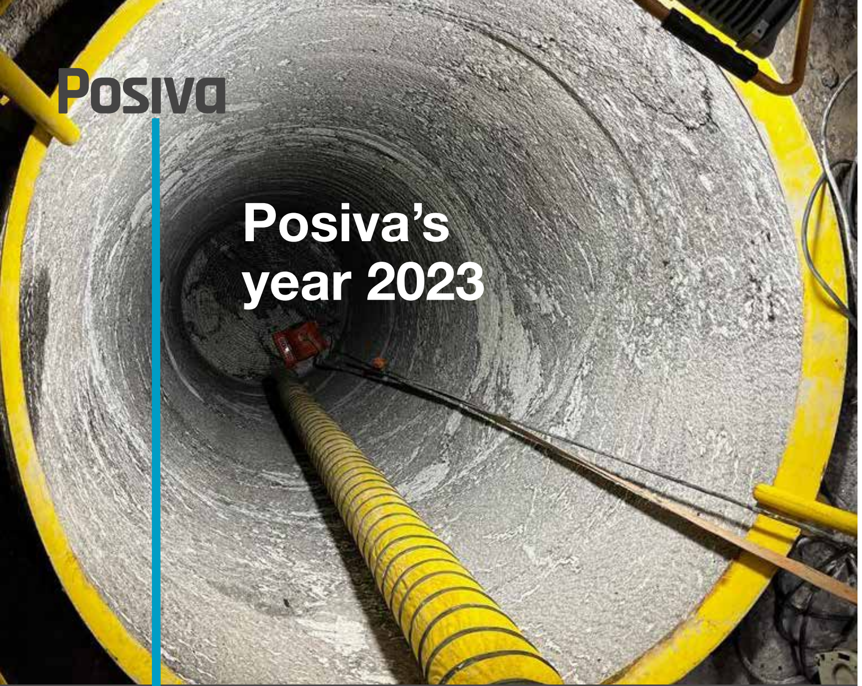
Production - Karri Osara

Procurement - Marko Kinnunen, **HR** - Kirsi Koskinen, **Legal** - Sampo Valmunen, **Communications** - Pasi Tuohimaa

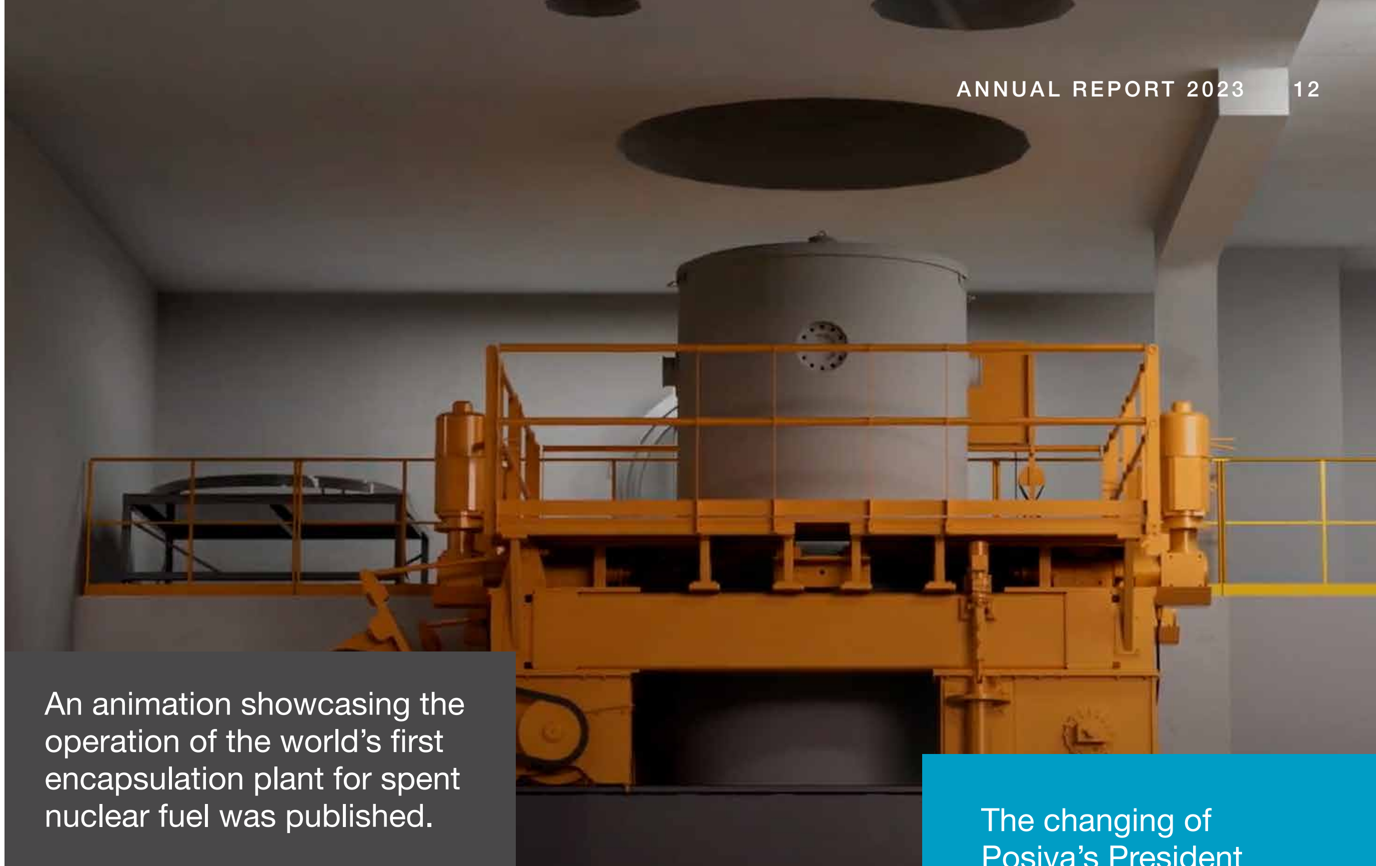
Management group

Kari Kaukonen, Ari Posti, Pasi Tuohimaa, Petteri Vuorio, Tiina Jalonen, Ilkka Poikolainen, Karri Osara, Oskari Piepponen, Juha Riihimäki. Missing from the picture Kirsi Koskinen and Mika Pohjonen.

Posiva's year 2023



The first test deposition holes drilled in-house by Posiva were completed in February.



An animation showcasing the operation of the world's first encapsulation plant for spent nuclear fuel was published.

The changing of Posiva's President and CEO was reported in May.

The extensive safety case that Posiva prepared for its operating licence application was published for public viewing.

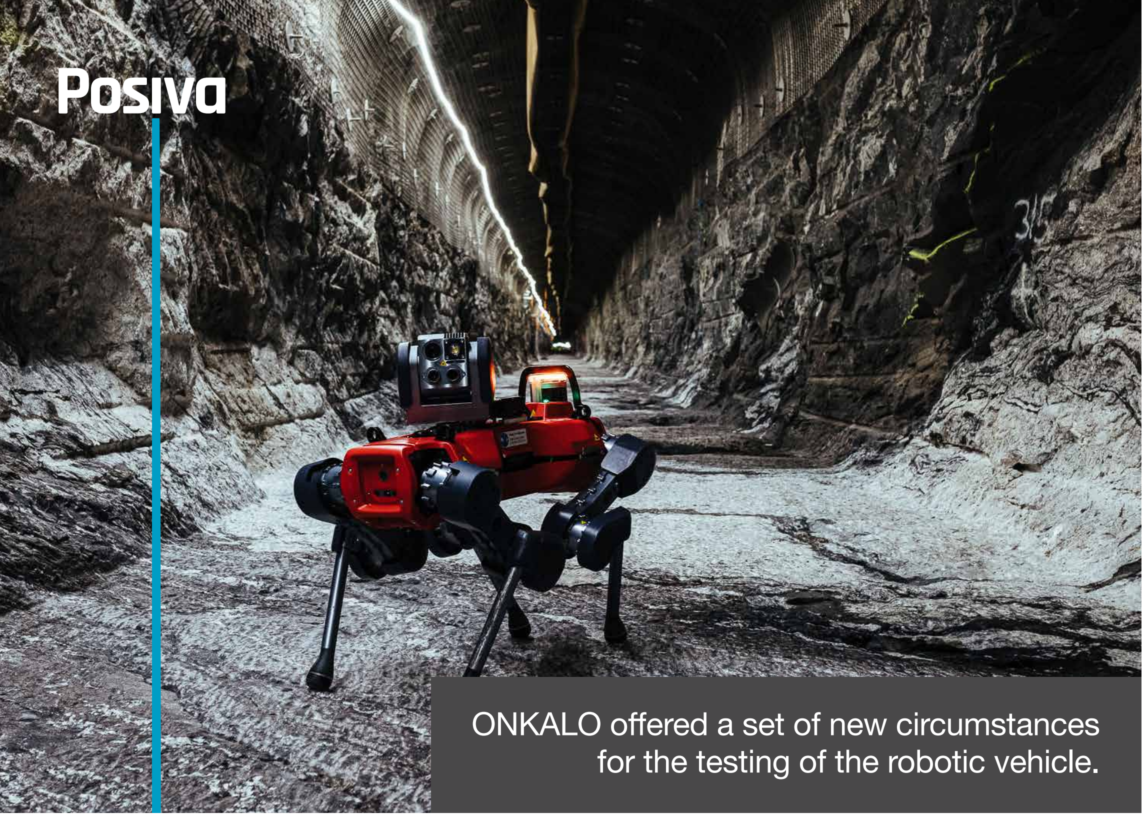
The canister machining station arrived at Olkiluoto in April.

The production facility for the tunnel backfill material was completed in May.

The AGV platform, which will later work as a “runner” inside ONKALO, visited the deposition tunnel for testing in August.

Posiva terminated its lease agreement with Vuojoen kartano after approximately twenty years at the end of May.

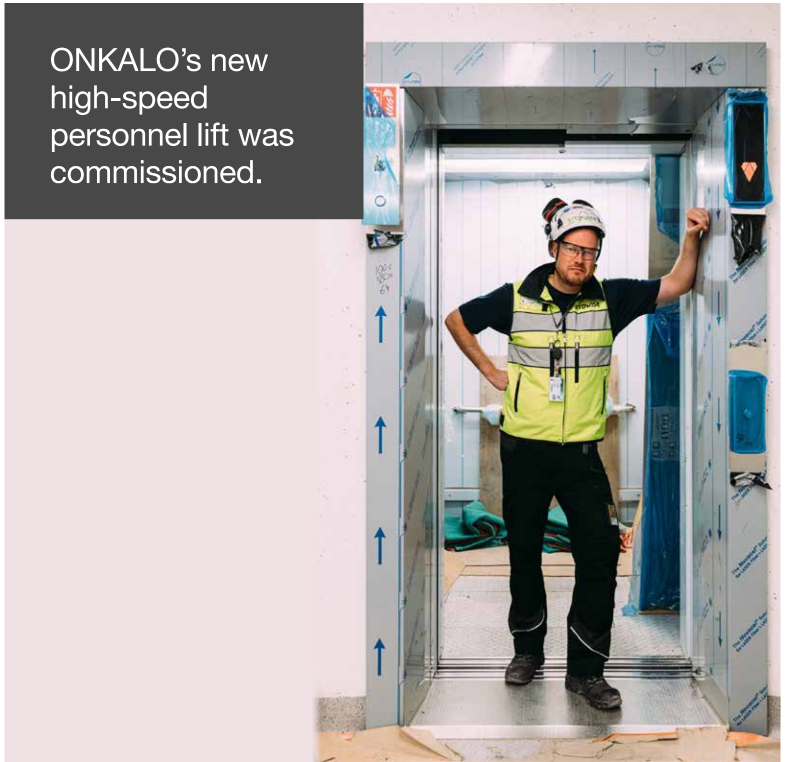
Tiina Jalonen was appointed as interim President and CEO for Posiva in August.



ONKALO offered a set of new circumstances for the testing of the robotic vehicle.

A second AGV platform that will be used in Posiva's disposal repository arrived from Italy to Finland for testing.

November marked the 40th anniversary of the decision-in-principle for the final disposal of spent nuclear fuel in Finland.



ONKALO's new high-speed personnel lift was commissioned.

Ilkka Poikolainen was appointed as Posiva's President and CEO in September. He began his work on November.

Posiva Solutions Oy's international turnover grew significantly

Established in 2016, Posiva Solutions Oy (PSOY) offers its clients tailor-made expert services related to final disposal together with an extensive network of subcontractors and partners. The company also offers ready-made solution models and service systems for companies planning nuclear waste management, taking into account the local conditions.

2023 was the first year following the end of a significant domestic contract. The decision was already taken in 2022 to counter the situation by investing in growing the organisation in 2023 and aiming for higher international turnover.

The company's turnover decreased as expected, but international turnover grew significantly when compared to previous years. Even though the organisation was grown in accordance with the target, the financial results remained positive. Heading into 2024, the project and tender situation as well as the order backlog are at a good level.

The average rating in client satisfaction surveys over seven years is 4.7/5, which means that Posiva Solutions has been able to meet and exceed client expectations.

The average rating in client satisfaction surveys over seven years is

4.7/5

Report of the Board of Directors for 2023

Posiva Oy, established in 1995, manages the final disposal of the spent nuclear fuel of its owners Teollisuuden Voima Oyj (TVO) and Fortum Power and Heat Oy (Fortum).

At the end of 2023, the total amount of spent nuclear fuel in interim storage at the Olkiluoto and Loviisa nuclear power plants corresponded to approximately 2,556 tonnes of fresh uranium. Spent nuclear fuel must be cooled in interim storage for several decades in order for its decay heat production to fall to the level required for final disposal.

In November 2015, Posiva received a construction licence for its final disposal system, consisting of a spent nuclear fuel encapsulation plant and final disposal facility. The excavation of the final disposal facility was started in December 2016, and the construction of the encapsulation plant started in 2019. An operating licence application for the encapsulation plant and disposal facility was submitted at the end of December 2021. The plan is to start final disposal in the mid-2020s.

Posiva's financial statements are prepared in accordance with the Finnish Accounting Act and related provisions.

Finances and funding

TURNOVER AND FINANCIAL RESULTS

Posiva's turnover amounted to EUR 116.8 (116.8) million. The profit/loss for the financial period was EUR 0.0 (0.0) million. Posiva's operations are funded by its owners.

KEY FIGURES

Due to the company's operating principle, presenting key figures is not essential for understanding its business operations, financial position or performance. Profit for the fiscal period under review was EUR 0.0 (0.0).

Significant events during the financial period

FINAL DISPOSAL ACTIVITIES

Posiva has proceeded in the final disposal project according to the implementation decision made in summer 2019 as regards the construction of the encapsulation plant for spent fuel and the underground final disposal facility. This EKA project consists of constructing the encapsulation plant in its entirety, performing the excavation required for the first five deposition tunnels and the additional excavation required for the final disposal facility, installing the systems required for starting final disposal, following through with the operating licence process and preparing the supply chains required for the production activities.

The execution of Posiva's vision, "Global leader in final disposal", can be seen in the progress of the EKA project and in the preparation for production activities in final disposal. During 2023, the work progressed towards starting final disposal in the mid-2020s. An operating licence application for the disposal facility was submitted to the Government in December 2021 and, with the exception of a small delay, its processing has progressed according to plan. The installation and commissioning phase continued in the construction of the nuclear facilities. One significant event in 2023 was the commissioning of a personnel lift between the lifting equipment building and the underground facilities. Installation work on the canister lift also progressed. The underground construction and technical building services work proceeded well and according to schedule.

The manufacture of the final systems for the encapsulation plant is also on the final stretch. In 2023, a machining station was installed next to the canister welding station, among other things. Underground, at a depth of 430 metres, the remote operation of the AGV platform, which operates under demanding conditions, was tested and the first test deposition holes were drilled by in-house personnel. Due to delivery delays affecting some systems, the joint functional test (simulating final disposal with non-irradiated dummy fuel elements) which was planned for late 2023 will start in 2024.

Progress was made with the preparation of the supply chains of canister and bentonite components required in production operations. More supplier alternatives were being sought for the canister components. Additional recruitments for operators for the encapsulation plant and disposal facility were performed during 2023.

At the end of March, Posiva's owners submitted the annual report for nuclear waste management in 2022 to the Ministry of Economic Affairs and Employment (MEAE).

SUBSIDIARIES

The vision of Posiva Solutions Oy, Posiva's subsidiary, is to be "a global market leader in the sales of expertise and technology related to the final disposal of nuclear waste". The company's turnover and result decreased compared to the previous year. However, the company received significant new projects from several countries, and the order backlog is on a good level at the start of 2024.

RISKS AND RISK MANAGEMENT

Posiva's risk management supports the implementation of the strategy and the business targets as well as the retention of the prerequisites for operation. Risk management is arranged holistically in line with the operational targets set by the owners and good governance. Posiva's President and CEO is responsible for risk management in accordance with the company's targets and strategy. They are supported by Posiva's Management Group and the TVO Group's Risk Management function.

The most significant risks in the project preparing for the final disposal (EKA project) are related to the completion of the unique process and installation equipment for the encapsulation plant and disposal facility as well as their timely installation and commissioning. Furthermore, delays in the preparation of the canister components' production stage supply chains and possible changes in the detailed plans of the engineered release barriers are seen as a schedule risk.

The most significant risks during the production stage are related to the acquisition costs of the final disposal concept's canister components. Another significant risk for the production stage is a larger than anticipated number of personnel required for the final disposal.

As risk management activities, the industrialisation actions related to final disposal were continued in 2023, contracts were signed regarding the production components required in final disposal and the organisation of the production phase was planned.

SCOPE OF RESEARCH AND DEVELOPMENT

Posiva's current research and development activities comprise the finalisation of the research projects related to the operating licence application for the final disposal facilities and the implementation of the industrialisation activities for the production stage. A total of approximately EUR 12.0 (14.0) million was spent on research and development in 2023, amounting to 10.2 (12.0) per cent of turnover.

Sustainability

THE ENVIRONMENT

Posiva's environmental matters are managed according to a certified environmental management system. It is also linked with an energy efficiency system. The key aspects of the operations in terms of the environment and energy are related to the construction of the final disposal facility and the processing of waste. Fires and oil leaks from machinery in the underground facilities have been identified as the most significant environmental risks. Posiva performs environmental management actions in cooperation with TVO as a group-level activity, and its targets are continuous improvement and increasing the level of environmental protection.

SAFETY AND SAFETY CULTURE

As part of the safety culture action programme 2023, Posiva's Safety function monitored safety in accordance with the activity management system. The company's safety culture action programme 2023 was implemented without major deviations. Based on the key figures, the level of safety and safety culture at Posiva in 2023 was good.

The occupational health and safety operations are guided by an ISO 45001 certified occupational health and safety system (OHS system). Posiva's accident frequency in 2023 was 13.8 (accidents per one million work-hours). The accident frequency figure includes Posiva's subcontractors in addition to Posiva's personnel.

PERSONNEL AND ORGANISATION

The number of personnel at the end of the year was 82 (87), including permanent and fixed-term employment relationships. During the year, Posiva employed on average 86 (87) persons. In addition, approximately 50 TVO employees are working on Posiva's project. The number of personnel at Posiva Solutions at the end of the year was 7 (3).

During the year, Posiva's employees attended an average of 5.6 (5.5) days of training per person.

Posiva's personnel are covered by a performance bonus system. The performance bonus may be routed into the TVO Group's personnel fund.

Posiva carries out a personnel survey approximately every 18 months. The results of the survey were received in February 2023. The results improved slightly from the previous year, reaching level A (satisfactory). The next personnel survey will be conducted at the end of 2024.

COMMUNICATIONS AND INTERNATIONAL COOPERATION

The progress of Posiva's final disposal project and the construction of the encapsulation plant and underground final disposal facilities have gathered widespread interest both nationally and internationally. Communication on the progress of the EKA project was in adherence with plans. In addition to individual visits by Finnish and international media, two visiting days were arranged for international media and one for Finnish media.

Posiva and SKB (Svensk Kärnbränslehantering Ab) continued their close cooperation in order to further develop competence and to prepare for the industrial-scale operation of the final disposal facility by renewing their agreement on cooperation for the next five years. Posiva continued its cooperation with the International Atomic Energy Agency IAEA, the OECD/NEA nuclear waste office and the International Association for Environmentally Safe Disposal of Radioactive Material (EDRAM). Posiva continues to chair the Executive Group of IGD-TP (Implementing Geological Disposal of radioactive waste Technology Platform) and ESARDA (European Safeguards Research & Development Association).

Ownership and series of shares

Posiva Oy is a joint venture of Teollisuuden Voima Oyj and Fortum Power and Heat Oy. The number of shares in Posiva on 31 December 2023 was 100,005,000. The company's shares are divided into the A and B series. There are 100,000,000 series A shares and 5,000 series B shares. TVO's ownership share in series A shares is 60 per cent, and Fortum's is 40 per cent. Of the B series shares, TVO owns 73.62 per cent and Fortum owns 26.38 per cent, respectively.

Significant events after the financial period

STUK has contacted MAEA to request an extension for providing a statement on Posiva's operating licence until the end of 2024. There were no other significant events after the end of the financial period.

Prospects for likely future developments

Posiva will continue the implementation of the EKA project and the encapsulation plant and disposal facility in 2024. In 2024, the company is focusing on the nuclear facilities' installation and commissioning and on ensuring the progress of the operating licence process. Another significant target is reaching readiness for the joint functional test in 2024.

The company's management and leadership

BOARD OF DIRECTORS

Jarmo Tanhua, Teollisuuden Voima Oyj, Chair
Minna Laakso, Pohjolan Voima Oyj
Sasu Valkamo, Fortum Power and Heat Oy
Harriet Kallio, Fortum Power and Heat Oy

Ulla-Maija Moisio, Teollisuuden Voima Oyj, has acted as secretary for the Board of Directors.

Posiva Oy's President and CEO has participated in the board meetings. The President and CEO was Janne Mokka until 31 July 2023 and Ilkka Poikolainen from 1 November 2023. Tiina Jalonen was the interim President and CEO between 1 August and 31 October 2023.

PRESIDENT AND CEO

Janne Mokka until 31 July 2023
Ilkka Poikolainen from 1 November 2023

MANAGEMENT GROUP

Janne Mokka, Chair until 31 July 2023
Tiina Jalonen, Chair from 1 August until 31 October 2023
Ilkka Poikolainen, Chair from 1 November 2023

Members:

Tiina Jalonen, Development Manager
Kari Kaukonen, Safety Manager
Ari Posti, Project Manager
Juha Riihimäki, Construction Manager
Petteri Vuorio, Technical Manager
Karri Osara, Production Manager

Communications Manager Pasi Tuohimaa, Managing Director Mika Pohjonen from Posiva Solutions Oy, employee Representatives Hannu Leino until 31 October 2023 and Oskari Piepponen from 1 November 2023 and HR Partner, Project Manager Kirsi Koskinen have also participated in the management group's work.

The Board of Directors has established a project committee, financial committee and technical committee to support its operations.

The auditors for Posiva were Authorised Public Accountant Niina Vilske appointed by PricewaterhouseCoopers Oy and Authorised Public Accountant Robert Kajander appointed by Deloitte Oy.

Distribution of profits

The company does not have any distributable funds; therefore, dividends cannot be distributed.

Board of directors

Board of directors from left to right
Jarmo Tanhua, Minna Laakso, Ilkka Poikolainen, Harriet Kallio and Sasu Valkamo.

Financial Statements

CONSOLIDATED INCOME STATEMENT

€	Note	1 Jan-31 Dec 2023	1 Jan-31 Dec 2022
Turnover	2	118 223 489,91	119 023 224,12
Other income	3	1 159 950,92	505 242,36
Materials and services	4	-510 224,43	-338 045,66
Personnel expenses	5	-7 297 221,50	-7 161 263,75
Depreciation and impairment charges	6	-19 917,64	-18 202,08
Other expenses	7	-111 145 559,62	-110 905 325,02
Profit/loss from operations		**410 517,64**	**1 105 629,97**
Financial income and expenses	8	-113 944,47	-100 399,48
Profit/loss before appropriations and taxes		**296 573,17**	**1 005 230,49**
Income taxes		-61 747,29	-204 042,88
Profit/loss for the financial year		**234 825,88**	**801 187,61**

CONSOLIDATED BALANCE SHEET

€	Note	31 Dec 2023	31 Dec 2022
Assets			
Non-current assets	9		
Tangible assets		35 529,89	55 447,53
Investments		43 366,70	43 366,70
Total non-current assets		78 896,59	98 814,23
Current assets			
Long-term receivables	10	0,00	4 202 230,00
Current receivables	11	13 892 159,67	5 021 544,78
Cash and cash equivalents	12	13 938 109,32	22 234 072,88
Total current assets		27 830 268,99	31 457 847,66
Total assets		**27 909 165,58**	**31 556 661,89**
Equity and liabilities			
Equity	13		
Share capital		1 684 500,00	1 684 500,00
Retained earnings/loss		3 919 748,52	3 118 560,91
Profit/loss for the financial year		234 825,88	801 187,61
Total equity		5 839 074,40	5 604 248,52
Liabilities			
Non-current liabilities	14	0,00	3 981 006,00
Current liabilities	15	22 070 091,18	21 971 407,37
Total liabilities		22 070 091,18	25 952 413,37
Total equity and liabilities		**27 909 165,58**	**31 556 661,89**

CONSOLIDATED CASH FLOW STATEMENT

1 000 €	2023	2022
Operating activities		
Operating profit/loss	411	1 106
Adjustments to operating profit/loss *	20	18
Change in working capital **	-4 618	-4 220
Interest received	78	14
Interest paid	-171	-111
Dividend paid	0	-3 000
Taxes paid	-35	-234
Cash flow from operating activities	**-4 315**	**-6 427**
Investing activities		
Repayment of loans granted	0	391
Cash flow from investing activities	**0**	**391**
Financing activities		
Withdrawals of long-term loans	0	221
Repayment of long-term loans	-3 981	-334
Cash flow from financing activities	**-3 981**	**-113**
Change in financial assets	**-8 296**	**-6 149**
Financial assets January 1	22 234	28 383
Financial assets December 31	**13 938**	**22 234**
* Adjustments to operating profit/loss		
Depreciation and impairment charges	20	18
Total	20	18
** Change in working capital		
Increase (-) or decrease (+) in non-interest-bearing receivables	-4 683	-2 000
Increase (+) or decrease (-) in short-term non-interest-bearing liabilities	65	-2 220
Total	-4 618	-4 220

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. ACCOUNTING PRINCIPLES

Posiva Oy together with its subsidiary Posiva Solutions Oy forms the Posiva Group. The parent company in Posiva Group is Posiva Oy, which is incorporated in Eurajoki.

Posiva Oy is a joint venture of Teollisuuden Voima Oyj and Fortum Power and Heat Oy.

The Group´s related parties include owners Teollisuuden Voima Oyj and Fortum Power and Heat Oy.

Copies of the financial statements are available at the internet address **www.posiva.fi**.

Posiva Oy´s financial statements have been prepared in accordance with Finnish Accounting Standards (FAS) and other laws and regulations governing the preparation of the financial statements in Finland.

MEASUREMENT PRINCIPLES AND METHODS AND ACCRUAL PRINCIPLES AND METHODS

Measurement of non-current assets

Intangible rights, other non-current expenditure as well as property, plant and equipment are capitalised at immediate acquisition cost less depreciation/amortisation according to plan. The depreciation/amortisation according to plan equals the maximum amounts allowed by the Finnish Business Tax Act.

The acquisition cost of property, plant and equipment acquired for nuclear waste management prescribed by the Nuclear Energy Act have been deducted in their totality as annual costs because nuclear waste management costs will not accure income in the future for the companies with waste management obligations, non for Posiva.

The depreciation/amortisation periods for other non-current assets are as follows:

Intangible rights
Straight-line depreciation over 10 years

Other long-term expenditure
Straight-line depreciation over 10 years

Property, plant and equipment
Reducing balance depreciation at 25%

Research and development costs

The research and development costs have been recognised as annual costs during the year in which they were incurred.

COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT

Subsidiaries

The consolidated financial statements include parent company Posiva Oy and its wholly-owned subsidiary Posiva Solutions Oy.

Subsidiaries are companies which the Group has control at the end of the financial period. Control exists if the Group hold more than a half of the voting rights or otherwise has control.

Subsidiaries acquired are consolidated from the date on which control is transferred to the Group, and subsidiaries sold are no longer consolidated from the date that control ceases. The purchase method of accounting is used to consolidate subsidiaries into the Group. The purchase price is determined as the aggregate of the acquisition date fair values of the assets given as consideration and liabilities incurred or assumed. Costs directly attributable to the acquisition are recognized in profit or loss.

In the consolidation, intercompany share ownership, intercompany transactions, receivables, liabilities, unrealized gains and internal distributions of profits are eliminated. Unrealized losses are not eliminated, if the losses are due to impairment of the asset being transferred. To ensure consistency, subsidiaries' accounting policies have, in all material respects, been changed to conform to the accounting policies adopted by the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

€	2023	2022
2. TURNOVER		
Income, related party	116 392 183,91	116 099 192,27
Income	1 831 306,00	2 924 031,85
Total	118 223 489,91	119 023 224,12
3. OTHER INCOME		
Rental income	8 950,00	26 812,06
Subsidies received	8 725,16	4 086,63
Other income	1 142 275,76	474 343,67
Total	1 159 950,92	505 242,36
4. MATERIAL AND SERVICES		
Purchases of services, related party	19 592,79	31 902,12
Purchases of services	490 631,64	306 143,54
Total	510 224,43	338 045,66
5. PERSONNEL		
Average number of personnel	90	91
Number of personnel on December 31	89	90
Personnel expenses		
Wages and salaries	6 120 692,36	6 012 233,57
Pension expenses	994 590,12	983 950,48
Other compulsory personnel expenses	181 939,02	165 079,70
Total	7 297 221,50	7 161 263,75

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

€	2023	2022
6. DEPRECIATION		
Planned depreciation		
Machinery and equipment	19 917,64	18 202,08
Total	19 917,64	18 202,08
7. OTHER EXPENSES		
Rents	2 296 226,45	1 580 878,07
Internal services, related party	9 850 984,33	10 277 074,79
Research and expert services	14 738 932,28	14 698 245,56
Buildings, machinery and equipment	56 006 104,74	63 241 226,79
Other expenses	28 253 311,82	21 107 899,81
Total	111 145 559,62	110 905 325,02
Acquisition costs of fixed assets used for nuclear waste management are booked as annual expenses under Section 5:1 of the Accounting Law.	74 636 192,15	78 835 347,79
Auditors' fees		
Audit fees	30 000,00	27 500,00
Total	30 000,00	27 500,00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

€	2023	2022
8. FINANCIAL INCOME AND EXPENSES		
Interest income and financial income		
Interest and financial income	77 780,31	13 825,37
Total	77 780,31	13 825,37
Interest expenses and inancial expenses		
Interest and inancial expenses, related party	162 116,30	22 019,51
Other interest and financial expenses	29 608,48	92 205,34
Total	191 724,78	114 224,85
Total financial income (+) and expenses (-)	-113 944,47	-100 399,48

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

€	Intangible rights	Other non-current expenditure	Total
9. NON-CURRENT ASSETS			
Intangible assets			
Acquisition cost 1 Jan 2023	50 767,17	3 046 393,37	3 097 160,54
Acquisition cost 31 Dec 2023	50 767,17	3 046 393,37	3 097 160,54
Accumulated planned depreciation 1 Jan	50 767,17	3 046 393,37	3 097 160,54
Book value 31 Dec 2023	**0,00**	**0,00**	**0,00**

€	Machinery and equipment	Total
Tangible assets		
Acquisition cost 1 Jan 2023	1 168 690,95	1 168 690,95
Acquisition cost 31 Dec 2023	1 168 690,95	1 168 690,95
Accumulated planned depreciation 1 Jan	1 113 243,42	1 113 243,42
Planned depreciation	19 917,64	19 917,64
Book value 31 Dec 2023	**35 529,89**	**35 529,89**

€	Investments	Total
Investments		
Acquisition cost 1 Jan 2023	43 366,70	43 366,70
Acquisition cost 31 Dec 2023	43 366,70	43 366,70
Book value 31 Dec 2023	**43 366,70**	**43 366,70**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

€	2023	2022
10. LONG-TERM LOAN RECEIVABLES		
Prepaid rent	0,00	4 202 230,00
Total	0,00	4 202 230,00
11. CURRENT RECEIVABLES		
Trade receivables	1 325 231,02	675 873,69
Prepayment and accrued income, related party	9 092 234,61	4 117 195,06
Prepayment and accrued income	364 869,60	142 520,99
Other receivables	3 109 824,44	85 955,04
Total	13 892 159,67	5 021 544,78
12. CASH AND CASH EQUIVALENTS		
Cash and cash equivalents	13 938 109,32	22 234 072,88
Total	13 938 109,32	22 234 072,88
13. SHARE CAPITAL		
Share capital 1 Jan	1 684 500,00	1 684 500,00
Share capital 31 Dec	1 684 500,00	1 684 500,00
Retained earnings/loss	3 919 748,52	3 118 560,91
Profit/loss for the financial year	234 825,88	801 187,61
Total	5 839 074,40	5 604 248,52

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

€	2023	2022
14. NON-CURRENT LIABILITIES		
Non-current liabilities from related party	0,00	3 981 006,00
Total	0,00	3 981 006,00
DEBTS FALL DUE IN MORE THAN FIVE YEARS		
	0,00	3 981 006,00
15. CURRENT LIABILITIES		
Accrued expenses from related party	4 516 205,91	5 509 901,38
Advances received	377 706,45	437 035,60
Accounts payable	5 793 524,44	5 947 480,99
Tax liability	3 321 821,33	1 239 738,12
Accrued personnel expenses	2 247 092,29	2 207 309,69
Other accrued expenses and deferred income	5 813 740,76	6 629 941,59
Total	22 070 091,18	21 971 407,37

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

€	2023	2022
16. COMMITMENTS		
Contingent liabilities given on own behalf		
Customs liabilities	20 000,00	20 000,00
Contingent liabilities given on behalf of Group companies		
Parent company guarantee	0,00	500 000,00
Other rent liabilities		
Rent liabilities falling due in less than a year	0,00	442 340,00
Rent liabilities falling due later	0,00	0,00
Total	0,00	442 340,00

Posiva has rented from Teollisuuden Voima Oyj a land area for the final disposal of spent nuclear fuel.
The rental agreement is valid until further notice. The rent was EUR 689 377,30 in 2023 (EUR 689 377,30 in 2022).

PARENT COMPANY INCOME STATEMENT

€	Note	1 Jan-31 Dec 2023	1 Jan-31 Dec 2022
Turnover	2	116 756 800,61	116 816 661,10
Other income	3	1 159 950,92	505 047,36
Personnel expenses	4	-6 882 633,12	-6 758 296,49
Depreciation and impairment charges	5	-19 917,64	-18 202,08
Other expenses	6	-110 840 713,87	-110 459 955,93
Profit/loss from operations		**173 486,90**	**85 253,96**
Financial income and expenses	7	-173 486,90	-85 253,96
Profit/loss before appropriations and taxes		**0,00**	**0,00**
Profit/loss for the financial year		**0,00**	**0,00**

PARENT COMPANY BALANCE SHEET

€	Note	31 Dec 2023	31 Dec 2022
Assets			
Non-current assets	8		
Tangible assets		35 529,89	55 447,53
Investments		45 866,70	45 866,70
Total non-current assets		81 396,59	101 314,23
Current assets			
Long-term receivables	9	0,00	4 202 230,00
Current receivables	10	10 185 423,51	4 496 590,85
Cash and cash equivalents	11	13 029 521,55	18 229 598,95
Total current assets		23 214 945,06	26 928 419,80
Total assets		**23 296 341,65**	**27 029 734,03**
Equity and liabilities			
Equity	12		
Share capital		1 684 500,00	1 684 500,00
Total equity		1 684 500,00	1 684 500,00
Liabilities			
Non-current liabilities	13	0,00	3 981 006,00
Current liabilities	14	21 611 841,65	21 364 228,03
Total liabilities		21 611 841,65	25 345 234,03
Total equity and liabilities		**23 296 341,65**	**27 029 734,03**

PARENT COMPANY CASH FLOW STATEMENT

1 000 €	2023	2022
Operating activities		
Operating profit/loss	173	85
Adjustments to operating profit/loss *	20	18
Change in working capital **	-1 234	-4 486
Interest received	16	14
Interest paid	-194	-95
Dividend paid	0	-3 000
Cash flow from operating activities	**-1 219**	**-7 464**
Investing activities		
Repayment of loans granted	0	391
Cash flow from investing activities	**0**	**391**
Financing activities		
Withdrawals of long-term loans	0	221
Repayment of long-term loans	-3 981	-334
Cash flow from financing activities	**-3 981**	**-113**
Change in financial assets	-5 200	-7 186
Financial assets January 1	18 230	25 416
Financial assets December 31	**13 030**	**18 230**
* Adjustments to operating profit/loss		
Depreciation and impairment charges	20	18
Total	20	18
** Change in working capital		
Increase (-) or decrease (+) in non-interest-bearing receivables	-1 487	-1 962
Increase (+) or decrease (-) in short-term non-interest-bearing liabilities	252	-2 524
Total	-1 235	-4 486

NOTES TO FINANCIAL STATEMENTS

1. ACCOUNTING PRINCIPLES

Posiva Oy is a joint venture company of Teollisuuden Voima Oyj and Fortum Power and Heat Oy.

Posiva Oy (1029258-8) is the parent company in Posiva Group.

Related parties include owners Teollisuuden Voima Oyj and Fortum Power and Heat Oy.

Posiva Oy´s financial statements have been prepared in accordance with Finnish Accounting Standards (FAS) and other laws and regulations governing the preparation of the financial statements in Finland.

MEASUREMENT PRINCIPLES AND METHODS AND ACCRUAL PRINCIPLES AND METHODS

Measurement of non-current assets

Intangible rights, other non-current expenditure as well as property, plant and equipment are capitalised at immediate acquisition cost less depreciation/amortisation according to plan. The deapreciation/amortisation according to plan equals the maximum amounts allowed by the Finnish Business Tax Act.

The acquisition cost of property, plant and equipment acquired for nuclear waste management prescribed by the Nuclear Energy Act have been deducted in their totality as annual costs because nuclear waste management costs will not accure income in the future for the companies with waste management obligations, non for Posiva.

The depreciation/amortisation periods for other non-current assets are as follows:

Intangible rights
Straight-line depreciation over 10 years

Other long-term expenditure
Straight-line depreciation over 10 years

Property, plant and equipment
Reducing balance depreciation at 25%

Research and development costs

The research and development costs have been recognised as annual costs during the year in which they were incurred.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

€	2023	2022
2. TURNOVER		
Income, group companies	364 616,70	717 468,83
Income, related party	116 392 183,91	116 099 192,27
Total	116 756 800,61	116 816 661,10
3. OTHER INCOME		
Rental income	8 950,00	26 617,06
Subsidies received	8 725,16	4 086,63
Other income	1 142 275,76	474 343,67
Total	1 159 950,92	505 047,36
4. PERSONNEL		
Average number of personnel during financial year		
Office personnel	78	81
Manual Workers	8	6
Total	86	87
Number of personnel on December 31		
Office personnel	74	79
Manual Workers	8	8
Total	82	87
Personnel expenses		
Wages and salaries	5 771 070,42	5 674 108,49
Pension expenses	937 004,53	925 871,96
Other compulsory personnel expenses	174 558,17	158 316,04
Total	6 882 633,12	6 758 296,49

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

€	2023	2022
5. DEPRECIATION		
Planned depreciation		
Machinery and equipment	19 917,64	18 202,08
Total	19 917,64	18 202,08
6. OTHER EXPENSES		
Rents	2 295 852,69	1 580 093,06
Internal services, related party	9 705 068,31	10 147 145,01
Internal services, group companies	29 518,50	29 315,47
Research and expert services	14 738 932,28	14 471 879,27
Buildings, machinery and equipment	56 006 104,74	63 241 226,79
Other expenses	28 065 237,35	20 990 296,33
Total	110 840 713,87	110 459 955,93
Acquisition costs of fixed assets used for nuclear waste management are booked as annual expenses under Section 5:1 of the Accounting Law	74 636 192,15	78 835 347,79
Auditors' fees		
Audit fees	22 000,00	20 000,00
Total	22 000,00	20 000,00

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

€	2023	2022
7. FINANCIAL INCOME AND EXPENSES		
Interest income and financial income		
Other interest and financial income	15 954,33	13 824,18
Total	15 954,33	13 824,18
Interest expenses and financial expenses		
Interest expenses, related party	162 116,30	22 019,51
Other interest and financial expenses	27 324,93	77 058,63
Total	189 441,23	99 078,14
Total financial income (+) and expenses (-)	-173 486,90	-85 253,96

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

€	Intangible rights	Other non-current expenditure	Total
8. NON-CURRENT ASSETS			
Intangible assets			
Acquisition cost 1 Jan 2023	50 767,17	3 046 393,37	3 097 160,54
Acquisition cost 31 Dec 2023	50 767,17	3 046 393,37	3 097 160,54
Accumulated planned depreciation 1 Jan	50 767,17	3 046 393,37	3 097 160,54
Book value 31 Dec 2023	**0,00**	**0,00**	**0,00**

€	Machinery and equipment	Total
Tangible assets		
Acquisition cost 1 Jan 2023	1 168 690,95	1 168 690,95
Acquisition cost 31 Dec 2023	1 168 690,95	1 168 690,95
Accumulated planned depreciation 1 Jan	1 113 243,42	1 113 243,42
Planned depreciation	19 917,64	19 917,64
Book value 31 Dec 2023	**35 529,89**	**35 529,89**

€	Investments	Total
Investments		
Acquisition cost 1 Jan 2023	45,866.70	45,866.70
Acquisition cost 31 Dec 2023	45,866.70	45,866.70
Book value 31 Dec 2023	**45,866.70**	**45,866.70**

€	2023	2022
9. LONG-TERM RECEIVABLES		
Prepaid rent	0,00	4 202 230,00
Total	0,00	4 202 230,00

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

€	2023	2022
10. CURRENT RECEIVABLES		
Trade receivables	1 023 567,20	303 960,69
Prepayments and accrued income from group companies	35 847,00	24 181,78
Prepayments and accrued income from related party	9 092 234,61	4 117 195,06
Prepayments and accrued income	6 729,98	50 514,99
Other receivables	27 044,72	738,33
Total	10 185 423,51	4 496 590,85
11. CASH AND CASH EQUIVALENTS		
Cash and cash equivalents	13 029 521,55	18 229 598,95
Total	13 029 521,55	18 229 598,95
12. SHARE CAPITAL		
Share capital 1 Jan	1 684 500,00	1 684 500,00
Share capital 31 Dec	1 684 500,00	1 684 500,00
Retained earnings/loss	0,00	3 000 000,00
Dividend paid	0,00	-3 000 000,00
Total	1 684 500,00	1 684 500,00
13. NON-CURRENT LIABILITIES		
Non-current liabilities from related party	0,00	3 981 006,00
Total	0,00	3 981 006,00
DEBTS FALL DUE IN MORE THAN FIVE YEARS		
	0,00	3 981 006,00

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

€	2023	2022
14. CURRENT LIABILITIES		
Accrued expenses from related party	4 234 231,20	5 302 503,75
Interest debts from related party	0,00	4 098,44
Advances received	228 506,45	0,00
Accounts payable from related party	279 355,11	197 499,19
Accounts payable	5 785 204,99	5 901 785,08
Tax liability	3 312 906,37	1 229 986,52
Accrued personnel expenses	2 141 682,48	2 127 775,30
Accrued expenses from group companies	1 240,00	9 979,52
Other accrued expenses and deferred income	5 628 715,05	6 590 600,23
Total	21 611 841,65	21 364 228,03
15. COMMITMENTS		
Contingent liabilities given on own behalf	20 000,00	20 000,00
Customs liabilities		
Contingent liabilities given on behalf of Group companies	0,00	500 000,00
Parent company guarantee		
Other rent liabilities		
Rent liabilities falling due in less than a year	0,00	442 340,00
Rent liabilities falling due later	0,00	0,00
Total	0,00	884 680,00

Posiva has rented from Teollisuuden Voima Oyj a land area for the final disposal of spent nuclear fuel. The rental agreement is valid until further notice. The rent was EUR 689 377,30 in 2023 (EUR 689 377,50 in 2022).

PROPOSAL TO THE ANNUAL GENERAL MEETING

Posiva Oy has no distributable funds on 31 December 2023.

Signatures for the report of the board of directors and financial statements

Helsinki, March 28, 2024

Jarmo Tanhua
Chairman

Sasu Valkamo

Harriet Kallio

Minna Laakso

Ilkka Poikolainen
CEO

THE AUDITOR'S NOTE

Our auditor's report has been issued today.

Helsinki, March 28, 2024

PricewaterhouseCoopers Oy
Authorised Public Accountants

Niina Vilske
Authorised Public Accountant

Deloitte Oy
Authorised Public Accountants

Robert Kajander
Authorised Public Accountant

Auditor's report

To the Annual General Meeting of Posiva Oy

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

In our opinion, the financial statements give a true and fair view of the group's and the company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

What we have audited

We have audited the financial statements of Posiva Oy (business identity code 1029258-8) for the financial period 1.1.-31.12.2023. The financial statements comprise the balance sheets, the income statements, cash flow statements and notes for the group as well as for the parent company.

BASIS FOR OPINION

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR FOR THE FINANCIAL STATEMENTS

The Board of Directors and the Managing Director are responsible for the preparation of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or to cease operations, or there is no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

OTHER REPORTING REQUIREMENTS

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to the report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Other statements

We support that the financial statements should be adopted. The proposal by the Board of Directors regarding the use of the profit shown in the balance sheet is in compliance with the Limited Liability Companies Act. We support that the Members of the Board of Directors of the parent company and the Managing Director should be discharged from liability for the financial period audited by us.

Helsinki, March 28, 2024

PricewaterhouseCoopers Oy
Authorised Public Accountants

Niina Vilske
Authorised Public Accountant (KHT)
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Reg. Domicile Helsinki, Business ID 0486406-8

Deloitte Oy
Authorised Public Accountants

Robert Kajander
Authorised Public Accountant (KHT)
Salmisaarenaukio 2, 00180 Helsinki
Reg. Domicile Helsinki, Business ID 0989771-5

Posiva