



Pihlajalinna's change negotiations conclude – measures to strengthen profitable growth continue

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Pihlajalinna's measures to strengthen profitable growth and financial position continue. As part of the measures, the company initiated change negotiations in January 2023. During the negotiations, the organisation's structure and positions were evaluated. In addition, the partial downscaling, combining or closure of individual operating locations were assessed.

As a result of the negotiations, Pihlajalinna's operating model and organisation will undergo changes. The company will move from the eight geographical areas to five geographical areas in private health services. In addition, the company's commercial operations will be integrated into the private health services business and the Group's general administration. The Group's HR and procurement functions will also be merged into the business.

The change negotiations concerned 650 people out of a total of approximately 7,000 company employees. At the beginning of the change negotiations, Pihlajalinna estimated that 40–60 positions may be reduced, and the administrative duties of 30–40 employees may be discontinued or reduced. As a result of the negotiations, 67 positions will be reduced, and the administrative duties of 27 employees will be adjusted. The figures include employments that ended during the negotiations.

"The change negotiations are part of our measures to strengthen our profitability and financial position. With simplified operating structure, we are more consistent and customer centric. In addition, we can provide a more unified employee experience for our personnel," says CEO **Joni Aaltonen**.

Small occupational healthcare locations are merged into larger locations

As part of the change negotiations, the company also considered the partial downscaling, combining or closure of individual operating locations. The decided changes consists mergers of small occupational healthcare locations into larger locations. With the change, the locations of Kihniö and Ikaalinen will become part of the Hämeenkyrö location. The availability of local occupational healthcare services provided for the City of Ikaalinen will be ensured with the integrated workplace unit. In addition, Hermia Occupational Healthcare in Tampere will serve at Koskiklinikka in the future, and the services of Hallituskatu Oulu will be transferred to other locations in the city. Pihlajalinna will continue to assess its locations.

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Pihlajalinna in brief

Pihlajalinna is one of the leading providers of private healthcare and wellbeing services in Finland. The Group offers high quality health and wellbeing services at its private clinics, hospitals, fitness centres and housing services across Finland. To public entities Pihlajalinna provides social and healthcare service production models, in which the cooperation between the public and private sectors guarantees high-quality services for citizens. In 2022, Pihlajalinna's revenue was 690 million euros and the number of personnel almost 7,000. Pihlajalinna's shares are listed on Nasdaq Helsinki Oy. Read more www.pihlajalinna.fi.