esperi

Sustainability is wellbeing

Sustainability Report 2023



IT IS OUR TURN TO ENSURE A GOOD LIFE

HOW TO CONNECT WITH A PERSON WHO HAS A MEMORY DISORDER?

On the path to customer satisfaction: improving customer feedback

Esperians have a very high net promoter score

Environmental programme drives us towards carbon neutrality

Table of Contents



3
It is our turn to ensure a good life

5
Esperi in figures



6
Key events during the year



9
Putting Esperi's values into action



10
Our long-term strategy aims for high-quality care



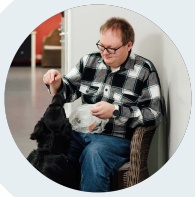
12
Stakeholder groups



14
Sustainability reporting



18
Business areas



27
Good care



36
Good life



44
Good work



55
Good economy



59
Aiming for carbon neutrality



63
Esperi seeks moderate growth



64
#töissäesperillä

It is our turn to ensure a good life – now and in the future



What is a good life? I started thinking about this when I was talking to an elderly resident at our Kivipuisto assisted living facility. They recounted their life story, which included many challenges and difficulties as evacuees from Karelia. Still, their face had a certain serenity. In spite of the difficulties, they had lived a good life.

Many of our residents have faced more hardships and uncertainty than our generation. They have seen war, shortages and recessions. Even so, they have always believed in a better future, worked to achieve it, and found happiness in the present.

In Finland, many things are well: we have expertise and competence, and we have new generations that can solve the challenges that face us. The same applies to Esperi: we have many strengths, right here and now. This view is also supported by our performance indicators. In 2023, our NPS for resident satisfaction rose to 42 and the NPS for our residents' relatives was 31. We are proud of the positive trend in these results in recent years. Our employee Net Promoter Score (eNPS) was 34 – the highest in our industry as far as we know.

Our housing facilities are also safer places to live and work than ever before. Through development and training, we have implemented operating practices in our day-to-day work that increase the safety and security of our residents, employees, environment, data, and properties. We have also taken steps to prepare for the unstable global situation: we have an emergency preparedness plan, and we conduct exercises to ensure that we can care for our residents even in exceptional circumstances.

At the same time, we are focusing on the future. We have adopted increasingly ambitious targets for our sustainability and quality. In 2023, we launched an environmental programme, and we aim to reduce our CO2 emissions by 80% by 2030. Our owners are committed to a strong sustainability policy and, like us, they believe that sustainability and profitability go hand in hand. Everyone in society must bear responsibility for mitigating climate change and biodiversity loss.

The wellbeing services counties began their operations in January 2023. A lot of work has gone into implementing the reform. There is still more work to be done, but it is important for society that the system runs properly.

I have had discussions with the decision-makers of the wellbeing services counties, and I have also met with our residents and their family members. We have talked about their needs, wishes, challenges, investments, and solutions. Our role is



to support the wellbeing services counties and be a flexible partner to them. We want to build an effective cooperation model and will continue the discussions in 2024.

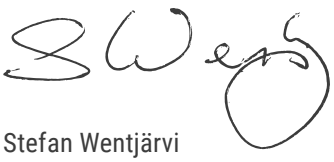
Cooperation is essential, as our industry still faces streamlining, high interest rates, inflation, and the shortage of nurses and caregivers. The past few years show the importance of collective agreements, for example: a long planning horizon is the best solution for all of the parties involved.

However, political decisions often reduce visibility in the long term. In our property-intensive industry, we would need to have a horizon that extends 15–25 years into the future, but each government only has a term of four years, so they seek short-term solutions. That is not to say that decisions are not necessary. The wellbeing services counties had a funding deficit of EUR 1.2 billion in 2023, and that deficit will only widen in 2024 if no action is taken. When addressing this problem, the focus is on quick fixes, which are often based on theory rather than a thorough assessment of their actual impacts.

For example, reducing the total resident capacity in 24/7-hour residential care is the wrong approach to save costs when the need for the services will only grow in the near future. In the worst case, such changes could lead to workers in 24/7 residential care leaving the industry, creating a self-inflicted crisis for the social and health care sector. A lot of faith is also being placed in new communal housing as a solution. However, the implementation methods and costs are unclear, as are the questions of who would invest in these new facilities or move into them.

I believe that the key to sustainable care lies in long-term solutions. Care employees are our most important asset, and it is our responsibility to ensure that availability of care employees remains sufficient and that their wellbeing is good. It is also important to bring new taxpayers and workers to Finland to maintain the demographic dependency ratio at an appropriate level. I am proud of the fact that Esperi is a genuinely multicultural company. Our employees represent dozens of different nationalities, and we work together every day with equality and mutual respect.

I want to take this opportunity to thank all our employees for the valuable work they do every day at our homes. I am committed to ensuring that Esperi will continue to be a good place to live and work. Many of our residents have helped make Finland the country it is today, and they now rely on us. It is our turn.

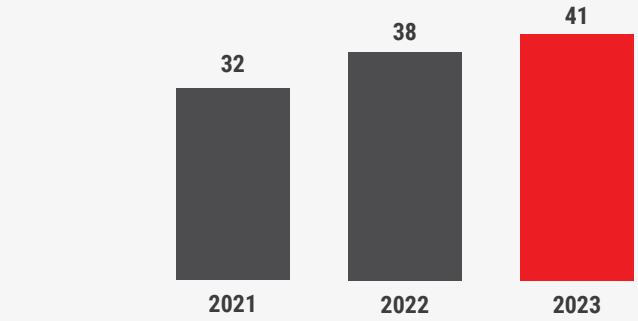


Stefan Wentjärvi
CEO, Esperi Care

The chat in Kivipuisto took place as part of Go Out with the Elderly campaign – have a look at some of the highlights.

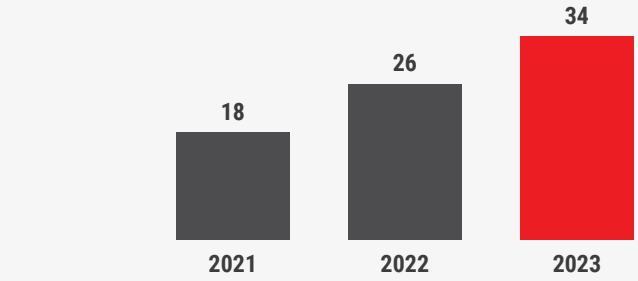
Esperi in figures

NPS



scale −100 – +100

eNPS



scale −100 – +100

Electricity from CO_2-neutral energy sources

94 %

Waste recovery rate

99 %

Total number of residents

Approximately 6,880

Total number of employees

7,107

Esperi operates in every wellbeing services county

Units completed in 2023

3 units
capacity for 157

Elderly care services

Esperi's assisted living and care facilities provide the elderly with smoothly operating and safe residences where they can enjoy life. The needs and interests of the residents are taken into consideration in the daily programme. We aim to make time for encounters, as they play a significant role in the day-to-day interaction of our residents and care providers. We provide sheltered housing with 24-hour assisted living, communal housing, short-term housing and day activities.

NPS 44

Mental care services

Esperi provides mental health rehabilitation customers with housing services and diverse rehabilitation in a safe and home-like environment. The residents have their own rooms, but participating in various group activities is an important part of Esperi's housing services. Our range of rehabilitation and housing services provides a flexible and goal-oriented rehabilitation path for all customers, whether they need 24/7 support or coaching to support living independently.

NPS 21

Disabled care services

For people with intellectual or physical disabilities, or autism, Esperi provides a comfortable home where they are supported by experienced professionals. Housing services are organised on a personalised basis, taking into account the needs, functional capacity, and life circumstances of each resident. Everyone is unique and has their own personality. Our goal is for our residents to live a full life.

NPS 59

Saga, premium communal services

Saga premium communal services provides high-quality homes and services for the elderly in a safe and active environment. The Saga concept also includes the opportunity to lead an independent life and enjoy the company of one's peers. The services are adapted to each resident's individual needs.

NPS 58

Key events during the year

We had a good year in 2023 in many respects. For example, we managed to make our environmental efforts even more goal-driven. In particular, we are pleased to have improved our resident satisfaction and employee satisfaction. We put together a summary of the highlights of the year. Read on to find out what we accomplished in 2023!



RESIDENT SATISFACTION IN ELDERLY CARE SERVICES IS AT AN ALL-TIME HIGH

We conducted a resident satisfaction survey last autumn, and the results indicate that the residents in our elderly care services are more satisfied than ever before. The NPS score for residents rose from the previous year by eight units and reached an all-time high of 44. "Nearly 60% of the residents gave us a score of 9 or 10, which makes them promoters in the NPS framework. I believe that our focus on the validation skills of our employees and the development of working practices is reflected in the feedback," says Sales and Marketing Director **Jani Nurisalo.**

PHOTO EXHIBITION SHOWCASED THE RANGE OF EMOTIONS IN CARE SERVICES

Our photo exhibition, entitled "It is a pleasure to meet you", featured touching photos ofnurses and caregivers. Alongside the photos, the exhibition included real and personal stories from nurses and caregivers highlighting the joys and sorrows of their work. The exhibition toured around Finland and was also featured on social media, and it received a lot of positive feedback. The aim of the exhibition was to highlight the diverse and meaningful nature of care work, and this goal was achieved. Gratitude and respect for care providers was the overriding emotion for many people who saw the exhibition.

WE RECOGNISED THE BEST PERFORMERS OF THE YEAR

At Esperi's supervisor days event held in Tampere in late September, we gave out awards to the best performers of the year. The award categories were based on our strategy, which focuses on providing a safe home and having happy residents. Esperi Hoivakoti Kärjenpuisto won the main award. The jury cited the feedback received by the housing facility: "This unit deserves nothing but praise; there is nothing wrong at this unit; you can feel safe there." Congratulations to all of the winners!

WE REDESIGNED OUR MEALS FOR ELDERLY RESIDENTS

We developed a new meal model for our housing facilities in collaboration with our food service partner Compass Group. Going forward, sustainably produced Finnish meals will be delivered to the facilities twice a week. "The new model guarantees that our residents can enjoy high-quality and tasty meals that meet nutrition guidelines every day," says **Arne Köhler**, Head of Elderly Care.

Key events during the year



WE HIRE PROFESSIONALS REGARDLESS OF THEIR AGE

We carried out a recruitment campaign entitled "Working at Esperi after retirement" to inform retired social services and healthcare professionals about the flexible work opportunities at Esperi. The national campaign increased our visibility as an employer in the social services and healthcare sector and received good feedback from job applicants: "It is wonderful that you provide opportunities for retirees to continue to work and feel useful." During the campaign, we hired over 50 care providers for our housing facilities across Finland.

ENVIRONMENTAL PROGRAMME LAUNCHED

In 2023, we took significant steps in environmental responsibility progressing towards our goal of a carbon-neutral Esperi. We have created an environmental programme that includes clear steps and milestones for achieving carbon neutrality. We also calculated our carbon footprint for the first time. Our goal-driven environmental efforts are led by Real Estate Director **Tomi Rosqvist.**

SOLAR POWER

Our housing units have hectares of rooftops that can be used to produce solar power. In 2023, solar panels were installed at ten more housing units across Finland. Using solar power is part of our sustainability strategy and our new environmental programme. "A solar power system is an investment that improves a property's energy efficiency," says Real Estate Director **Tomi Rosqvist**, the person in charge of the environmental programme.

ESPERIANS ARE WILLING TO RECOMMEND THEIR EMPLOYER

We achieved excellent results in our most recent employees survey, particularly concerning the employee Net Promoter Score. While the survey scores improved across the board, our employees' willingness to recommend Esperi as an employer, as measured by the eNPS, was exceptionally high for the care industry. "As far as we know, no other operator in our industry has a higher eNPS," says CEO **Stefan Wentjärvi**. We will continue to focus on the satisfaction of both our residents and employees.

OUTDOOR ACTIVITIES BRING JOY TO DAILY LIFE

We again participated in the "Go Out with the Elderly" campaign organised by the Age Institute to encourage people to enjoy outdoor activities. A record-high number of Esperians participated in the well-established event as we also invited the approximately 100 employees of our support functions to participate. Spending time outdoors is an important part of the daily life of our residents. "Human interaction while spending time outdoors brings joy to daily life for all of us and boosts everyone's wellbeing," says CEO **Stefan Wentjärvi**.

INTRODUCING THE MIELI RECOVERY ORIENTATION CONCEPT TO THE RESIDENTS

Esperi Koti Sypressi organised our first MIELI session attended by both the employees and the residents where we introduced our operating philosophy in mental care services and the MIELI recovery orientation concept. The event was well-received, and the discussions led to insights among the residents as well as the employees. The discussions highlighted the importance of keeping up hope and allowing the residents to exercise influence over their lives. "Everyone should be able to be themselves and live their own kind of life," says Service Specialist **Jaana Rytilahti**.

WE FOCUS ON OUR CORE BUSINESS

In 2023, we sold our healthcare staffing services business to Mehiläinen. In the transaction, Mehiläinen acquired the entire share capital of Esperi Terveyspalvelut Oy and Esperi Lääkäripalvelut Oy. The divestment enables us to focus even more fully on our core business, which is providing housing services for the elderly, people with intellectual disabilities, and mental health and substance abuse rehabilitation customers. The employees were transferred to Mehiläinen under their existing terms of employment.

WAGE SETTLEMENT SUPPORTS THE CONDITIONS IN THE CARE INDUSTRY

The result of collective bargaining negotiations in the private social services industry means wage increases to all of our employees. For example, the minimum pay of practical nurses and nurses will increase by an average of 14.6%. We also apply the general increase and one-time payment to those of our employees who are not covered by the collective agreement. "We believe this is fair and reflects Esperi's values," says CEO **Stefan Wentjärvi**.



Chief shop stewards satisfied with Esperi's direction





*Our chief shop stewards **Miira Reitama** and **Tiina Auvinen** share our employees' joys and sorrows. During the year under review, they were particularly pleased by the fact that the events in the housing facilities were more visible on social media and things were looked at from the perspectives of both care providers and residents.*

Moving forward through dialogue

A highly visible round of negotiations on the industry's collective agreement took place in 2023. The outcome is significant for the employer's ability to attract and retain employees.

At Esperi, the cooperation between employee representatives is productive and rewarding. Regular dialogue with the employer's representatives helps develop good working life and highlight the employees' concerns, questions, and ideas.

Focus on occupational wellbeing

According to the chief shop stewards, improving occupational wellbeing is a complex issue. The prevailing shortage of competent professionals and high rate of employee turnover throughout the social services and healthcare sector have an impact on the employees' ability to cope with the demands of work. International employees help a lot, and multiculturalism enriches workplace communities, but there are also additional challenges related to language skills, for example.

Occupational wellbeing plays an important role at Esperi, and the company has a strong focus on it. In 2023, Esperi actively highlighted the importance of zero tolerance for bullying. Miira and Tiina believe that this effort was successful.

Shift planning supports day-to-day operations

Last year, our employees started using the HR Mukana application for shift planning. Employees can see their shifts in the application and submit shift requests as far as one year ahead. The people who create the rosters will have access to even more versatile tools and opportunities when the Titania 2.0 solution is deployed in 2025. These are positive changes that will have an impact on the daily life and wellbeing of the employees.

Putting Esperi's values into action

We defined our values in collaboration with the employees, so they are visible in our day-to-day work and interaction. In 2023, the values were particularly evident in certain actions and moments at our housing facilities.

It is a pleasure to meet you

Interaction and caring are the cornerstones of our work. Meeting another person is a source of joy for us. We make time for these meetings and are genuinely present. We value every individual as they are.

Unhurried and considerate interaction is emphasised in our housing facilities every day, and it is a key element of the operating philosophies of our business areas. For example, we use a validation-based method when interacting with people with memory disorders. We have been training our employees on the method over the past few years, and it is already in use or soon to be introduced at all our housing facilities in elderly care services.

"The validation method takes the anxiety and negative emotions of the customer into consideration. You never reject or belittle the person's feelings or perceptions. When the workplace places a priority on making the residents feel comfortable, it also means a lot for the care providers. We do not leave anyone to their own devices," says **Riikka Koskinen**, a trained validation instructor at Esperi Palvelukeskus Kielo in Tampere.

Read our interview with Riikka Koskinen (in Finnish)

Integrity is our strength

We keep our promises. We have in-depth knowledge of our business, and we know what we can do. Our operations are transparent and open. We make sustainable decisions and create safety at all levels of our operations. We are there for each other and work closely together.

Esperians want to help. When Russia invaded Ukraine in February 2022, Esperi Group donated money through the Finnish Red Cross. We also made our vacant care facility in Kristiinankaupunki available to Ukrainians fleeing the war.

We also took action at the unit level. One of the families that fled the war in Ukraine was practical nurse **Inga Rautiainen's** daughter Krystyna and Krystyna's six-year-old daughter. When in March Inga offered accommodation to her daughter and granddaughter, along with a family they had met while fleeing Ukraine, her colleagues at Esperi Palvelukeskus Kielo in Tampere decided to help. Kielo's team leaders **Johanna Saari** and **Hanna Lindstedt** arranged one week's worth of food for the families and clothing for the children. At the initiative of Unit Manager **Mirja Soini**, we also decided to provide accommodation in Kielo for the Ukrainians in question. While Inga's daughter and granddaughter stayed with her, three adults and children aged 3, 7 and 10 moved to Kielo. **Svitlana** and her children, who lived in Kielo and subsequently moved into her own home in late 2023, have fond memories of the time they spent at the housing facility. In addition to support and a sense of safety, they found a summer job for Svitlana and a resident by the name of Veikko who was like a substitute grandfather for the children.

Read about the time spent at Kielo by Svitlana from Ukraine and her children (in Finnish)

We have the courage to reform

We have a goal-driven approach to leadership, and we look boldly ahead. Regular measurement guides our development. The expertise we have accumulated is an asset we are proud of. We are all different and we constantly learn from each other. We have the curiosity to try new things and work together to find the best operating practices.

We provide various training activities to our employees. The training content often reflects the feedback we have received from our housing units. For example, in services for persons with intellectual disabilities (now referred to as disabled care services), it is particularly important for smooth day-to-day care that our employees have a good understanding of autism and the competence necessary to care for persons with autism spectrum disorders according to their unique needs. With this in mind, we designed a series of new training activities that will be organised in 2024 in cooperation with Autism Finland. The aim of the training is to increase the employees' understanding of how to interact with people who are on the autism spectrum and provide concrete tips and ideas on how to make the interaction even better.

"Esperi wants to invest in the development of its employees. The supplementary training we offer increases human capital and provides added value to the employees on top of their existing professional competence," says Service Specialist **Heidi Hieta-aho**. "People who are on the autism spectrum differ in terms of their thinking, interaction, and sensory function. Providing more individualised support improves their quality of life. This is also the core idea behind individual life planning, which is the guiding principle of Esperi's services for persons with intellectual disabilities."

Read our interview with Heidi Hieta-aho (in Finnish)



Our long-term strategy aims for high-quality care

Our goal is to provide first-class housing services to society. Our promise to our residents is to provide a safe and comfortable home. Our strategy is already driving strong progress towards our vision for 2024: "Finland's happiest residents".

Esperi's strategy is built around four key goals: good care, good life, good work, and good economy. These are the building blocks of our plan for the future. Our aim is to be a care provider with the most valued managers and the best colleagues.

According to CEO **Stefan Wentjärvi**, the current strategy has proved to be the right one.

"I am surprised by how quickly we have achieved our goals and made progress in all areas. We have developed Esperi in a purposeful and goal-driven manner. It has been great to see that the results are evident both in customer satisfaction and among our employees."

Goal-driven development of the core business

Our strategy is based on goal-driven development. It is important for us to avoid short-sightedness and focus on solutions that will stand the test of time and serve us well over a long time horizon. This is crucial in the care industry, which is characterised by long-term investments and long customer relationships.

The development of the occupancy rates of our housing facilities has been excellent. At the end of last year, the occupancy rate was close to 94%, which is a very high figure for a company with 212 units. "This is indicative of our success in recruiting employees and having the trust of our customers and residents. The wellbeing services counties have also placed residents in our facilities, which speaks to our reliability and the quality of our services," Wentjärvi adds.

The best way for us to be successful is to focus on our core competence, which is the provision of high-quality care and housing services. That is why we sold our healthcare staffing services business to Mehiläinen last year.



Controlled growth

We made acquisitions last year, and we intend to continue on that path. However, careful consideration is important. Our goal is not to simply increase the company's size. For each potential acquisition, we carefully examine the level of local demand for our services and the availability of employees. In line with our strategy, we focus our operations on growth centres and seek sustainable growth.

"Our expansion is guided by the precautionary principle and carefully considered decisions. We do not pursue growth just for the sake of growth. Any moves to expand our business should broaden the geographical scope of our operations or bring in new competence or other added value," Wentjärvi explains.

Our vision is to have the happiest residents in Finland.

STRATEGIC PERFORMANCE INDICATORS

GOOD ECONOMY	GOOD CARE
Operating margin: **2.5%**	Significant audit deviations per 1.000 residents 2023: **15.3**
GOOD WORK	**GOOD LIFE**
eNPS 2023: **34**	NPS 2023: **41**

Stakeholder groups

Esperi and the care services it provides are an important part of Finnish society. We are also a major employer and have a responsibility to develop the whole care industry together with our employees. Active interaction and open discussion are cornerstones in our stakeholder relationships, both with wellbeing services counties and decision-makers. We define our most important stakeholders based on the impact we have on others and others have on us.



Stakeholders	Expectations for Esperi	Ways of engagement and channels	Actions in 2023
Employees	• Stable and reliable employer • Good supervisors and colleagues • Safe working conditions • Good team leadership and management • Training possibilities	• Employee survey • Supervisor day • Workplace health promotion • Essi-intranet • Training • Meetings • Encounters • Online surveys	• Employee survey • Pulsse survey • eNPS improvement • Workplace health promotion • Supervisor day • Performer of the Month awards • Training • Including guidelines to different materials, such as development discussions, orientation, and workplace promise
Residents	• Safe home and atmosphere • High-quality care • Encounters with employees • Predictability • Flexibility in different stages of life	• Resident events at homes • Resident meetings • Activities • Encounters • Enabling good daily life	• Regular resident meetings

Stakeholders	Expectations for Esperi	Ways of engagement and channels	Actions in 2023
Relatives	• Good and safe care for your own loved one • Contacts with residents and employees	• Encounters • Evenings for loved ones • OmaEsperi communication tool • Quality forum • Newsletters	• Evenings for loved ones and similar • Quality forum three times per year
Resident and wellbeing services counties	• Cost-efficient and high-quality care services • Geographical coverage	• Public procurement • New invoicing processes by the wellbeing services counties • Newsletters • Cooperation meetings	• Public procurement • Acquisitions • Market dialogues
Owners and investors	• Profitable and sustainable results in the long-term • Safe and high-quality care services • A responsible provider and promoter of the care industry	• Strategy review • Monitoring economic status • Quality and sustainability strategy	• Board of Directors meetings 10–12 times • Annual general meetings • Financing meetings • Result meetings 12 times • Strategy meetings • Quality and sustainability committee's meetings 4 times
Authorities	• Compliant care services	• Requests for information and consultation • Soteri service provider register • Authorisations	• Self-monitoring plan and programme • Act on Supervision in Social and Health Services and its interpretations
Partners	• Committed, stable, reliable partner	• Quality monitoring and audits • Quarterly and annual meeting • New contracts • Regular steering group meetings to ensure quality of operations and seamless cooperation • Internal customer satisfaction survey and supplier-specific surveys	• Recruitment campaigns • Employer image in content production (continuous partnerships) • New contract work agreements • New contract for meal services
Job seekers	• Permanent jobs • Trainee and summer worker posts • Apprenticeships • Easy and respectful recruitment process	• Recruitment events • Career pages and advertising	• Photo exhibition tour to improve the reputation of the care industry • Continuous participation in different recruitment events • Development of career pages and their updates
Educational institutions	• Cooperation with possible employer • Trainee posts • Sharing of knowhow	• Apprentice collaboration • Tailored training	• Events in educational institutions, with e.g. photo exhibition about care work

Sustainability reporting

Esperi has published sustainability reports since 2019. The reports describe Esperi's operating methods, development of resident satisfaction, achievement of goals, consideration of the environment in operations, and also everyday life among our residents.



From 2025 onwards, many companies will be required to start reporting on their sustainability in accordance with the European Union's Sustainability Reporting Directive (CSRD). Since we have already done voluntary sustainability reporting for a long time, we also want to take the lead in meeting the mandatory reporting requirements.

We have assessed our operations against the Common EU Reporting Standards (ESRS), and in 2023, we started a development programme with the goal of meeting the requirements of the standard ahead of time. This is also recommended by investment company Triton, Esperi's majority shareholder; it established a quality and sustainability committee in the Board of Directors. "The board's work has clearly changed, and ESG matters are much more prevalent than before," says CEO Stefan Wentjärvi. "Our philosophies meet in Esperi's strategic goal of high-quality care work which allows us to meet Triton's expectations of sustainability."

"The development projects of 2024 include, for example, the definition of material sustainability topics, a revised target setting, a mapping of risks and opportunities, the creation of operating principles, and the necessary trainings," says **Jani Nurisalo**, Director of Sales and Marketing.

"We are prepared to increase our development efforts to meet the reporting requirements and have already started producing some of the required content for this report," he sums up.

Value chain

Value chain refers to purchased products and services that enable our high-quality care work. New construction has different challenges than catering services, but both must be managed systematically to keep the quality and costs in balance for us, explains ***Markus Hemdahl****, Director of Procurement.*



Value chain parts

Esperi's care and housing services form a value chain. It starts with producing the commodities needed to provide the services, such as food, medicines, nursing homes, electricity, and heat. Esperi's success also requires the buying of a wide range of services, such as healthcare, security, cleaning, property maintenance, catering, logistics, and financial services. Esperi's core business is the housing and care service itself, which is produced by our own employees.

Esperi itself does not manufacture or sell products but is purely a service provider. "As service providers, we are at the end of the value chain," Hemdahl says. However, providing quality care requires the cooperation of many actors.

Choosing the right suppliers helps avoid trouble

As a rule, we aim to select large and responsible companies as our suppliers, ones that operate nationally and are internationally recognised.

In supplier selections, we assess the properties of the service or product to be procured, the supplier's competence, references, costs, and how well the solution offered meets our needs. We also take into account the principles of environmental, social and economic responsibility in procurement.

"We want to be a good partner to our suppliers, which is why we try to be as open and transparent as possible. This is how we strive to create the conditions for success – for us and for our partners. We also want to help our partners develop their own operations in the long term."

We always comply with current legislation, regulations, and good governance and demand the same from all our partners.

Carbon footprint calculated

"In 2023, we worked hard to measure Esperi's carbon footprint," says Tomi Rosqvist, Real Estate and Environmental Director. Most of the value chain emissions come from purchased products and services, and the biggest source of emissions is catering with more than half of all purchases. Food accounts for 21% of the total carbon footprint.

So, it is very important that the food we provide is responsibly sourced and produced.

"We monitor the degree of domestic origin of our meal service providers and measure the carbon footprint of the meal day," Hemdahl says.

"We monitor the degree of domesticity of our meal service providers and measure the carbon footprint of the daily meals," Hemdahl says.

Only the food that is eaten matters for the well-being of our residents. That is why we focus on high-quality and delicious food that tastes good to our residents. This is how we avoid food waste. We develop waste management together with our own units and service providers.

In the future, we will reduce our environmental load by making meal logistics more efficient and by increasing vegetarian options. We also aim to reduce packaging waste and increase the use of recyclable materials.

The foodstuffs and products related to meal services used by our contract suppliers are always traceable, and we monitor our key sourcing categories extensively.

"We receive accurate information about the products and services supplied by our contract suppliers, up to individual products, and their use in our units. Among other things, we get data on quantities and euros, as well as the environmental classification of products."

In other emission classes, getting to the defined targets takes different routes. For buildings, the aim is to achieve a high energy rating, the car fleet will be converted to electric or hybrid models by the end of 2025, the emissions from logistics will be reduced with

new planning, and the recycling rate will be raised throughout the company.

Sustainability demands accelerate change

Our customers have always required us to provide responsible care services, but now they have also begun to assess the sustainability of product and service procurement in care services.

"We have been very happy to see that the wellbeing services counties have begun to include responsibility requirements in their tenders, such as the origin of food products and the environmental load of cleaning and care supplies. These requirements have a direct impact on our purchasing decisions," Hemdahl praises.

Some suppliers are only in the early stages of their sustainability path, and the new requirements increase cost pressures. Even so, we are all part of the same change. "It is easy to take the criteria for sustainable procurement forward in the chain, but bringing about a real change is difficult, especially with large suppliers, because they have their own ways of doing things and the change is slow," Hemdahl says.

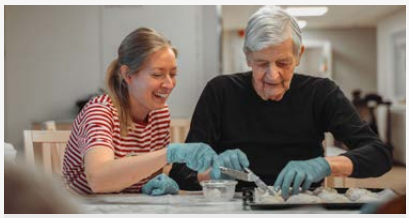
The most important categories of Esperi's procurement:
Meal services and foodstuffs ~€20m
Cleaning services ~€3m
Property services ~€2.5m
Care supplies ~€3.9m
Agency-hired labour €2.6m
IT services €1.8m
IT equipment and supplies €3.2m
Facility maintenance costs €4.6m

Value chain emissions come mostly from purchases

Esperi's largest source of emissions is procurement, which accounts for 67% of the total value chain emissions. Meal services account for 51% of purchases, and 21% of the total carbon footprint. Other emissions from procurement include cost-based furniture, care supplies and all services.

The second highest amount of emissions comes from commuting, which is 17% of the total value chain emissions. The share is high, as the majority of employees travel to their workplaces daily.

Esperi value chain



Purchased services and goods

- Meal services
- Cleaning services
- Property services
- Agency-hired labour
- Maintenance services

- Care supplies
- IT equipment and supplies
- Furniture and care equipment



Esperi's own operations

- Care services
- Assisted living services
- Safety



Residents

- Healthcare services
- Medical care
- Activities

Business model and value creation

Resources

Key resources

Capacity to expand operations
- Financial resources

Efficient corporate systems and infrastructure
- Information systems
- Quality management and processes
- Efficient standardised buildings, own energy production

Qualified and skilled employees
- 7,100+ employees
- 212 units
- Employee training and development

Key partners

- Meal services
- Building management
- Waste management
- Cleaning services
- Real estate developers
- Staffing and recruitment agencies
- Occupational healthcare and insurance companies
- IT services
- Educational institutions

Key activities

- Care services
- Development of digital services
- Staffing and training
- Property development
- Operational efficiency

Cost structure

- Sourcing of services and materials
- Occupancy rate
- Staffing rate
- Property portfolio

Business model

Customer segments

Elderly care services
73.4% of sales

Specialty care services
26.6% of sales

Customer relationships

- Wellbeing service counties
- Consumers

Value propositions

- Happiness and safety of residents
- Sense of community
- Capacity to invest and develop services
- Capacity to expand to meet the needs of wellbeing service counties
- Cost structure and efficiency

Revenue streams

- Wellbeing service counties
- Consumer customers

Value Created

Metrics

- NPS
- Nursing quota
- Quality metrics
- eNPS
- Staff survey
- Staff induction and exit metrics
- Operative EBITA
- Solvency
- Tax footprint
- Occupancy rate
- Supply chain metrics

What we do

- High-quality care
- Exploring acquisition opportunities
- Investments in new care homes
- Efficient use of limited resources
- Technological solutions for better care
- Energy efficiency
- Recruiting and training new employees
- Developing the care sector
- Value adding partnerships
- Long property leases

How we do it

- Data-driven decision-making
- Certified quality management
- Integrating acquisitions successfully
- Employee training
- Transparency in decision-making
- Focus on the long-term
- Supporting our team leaders
- Cost efficiency and control
- Leveraging digital technology

Impacts

Impacts on society
- Care and assisted living services for 7,000 people
- Taxes paid in 2023

Impacts on residents
- Resident satisfaction rates

Impacts on employees
- 7,100+ employees
- Employee satisfaction rates
- Salaries in 2023
- Employing students and retired workers

Impacts on wellbeing service counties
- Investments
- Retaining local care services
- Diligent and efficient use of societal funding

Impacts on partners
- Sourcing of materials and services for €53.7 million in 2023
- Vitalise local communities

Impacts on investors and financiers
- No dividends or capital returns in 2023
- Return on investments

Foundation	Resident safety, The most valued managers, The best colleagues, Forerunner in healthcare services, First choice for customers
Value drivers	Responsible provider of care services, Safety of residents and employees, Increasing diversity, Healthcare reforms
Megatrends	Demographic transition, Digitalisation, Labour market supply, Meaningful work, Urbanisation

Business areas



Our core businesses are mental care services, services for persons with disabled care services, elderly care services and Saga premium communal services . The common thread between our business areas is that we do not focus merely on resident capacity or the number of care providers. Instead, we focus on our housing units as a whole and provide holistic care. This is visible in different ways in different areas, as the needs are different. The common feature of all our services is the feeling of having a safe home.

"We have a duty to ensure that our residents have a safe home and that they can trust us. The wellbeing and safety of our residents are of paramount importance to us," says Sales and Marketing Director Jani Nurisalo.

Nurisalo points out that our residents have the right to be heard and to make decisions about their lives.

"At Esperi, we defend the rights of our residents, as our residents have the right to high-quality assisted living," Nurisalo adds.

Elderly care services

Elderly people are our largest group of residents, and we have assisted living facilities for the elderly across Finland. One of our values is "It is a pleasure to meet you", and this is reflected in our elderly care services every day. It is vital to us that our parents and grandparents can enjoy a comfortable life in our homes.



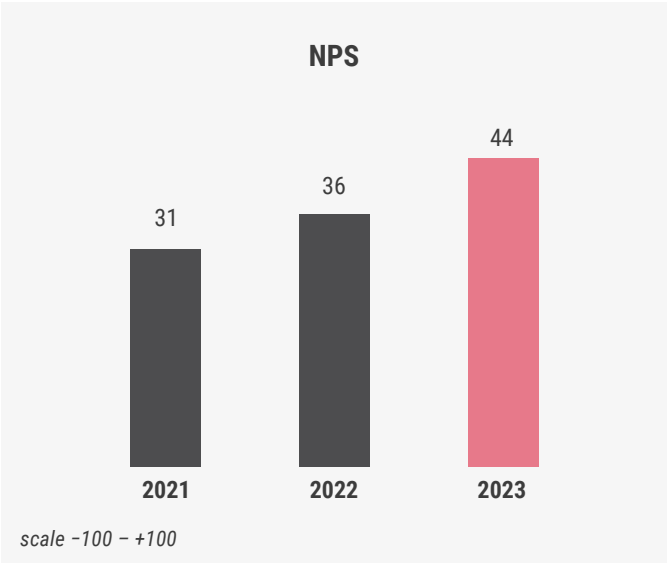
We have 122 homes for the elderly, with resident capacity of approximately 4,160. In our housing facilities, we offer assisted living with 24-hour assistance, sheltered housing, short-term housing and day activities. The age range of our residents is very broad, and everyone receives assistance to meet their individual needs and wishes. We provide a home where the resident can enjoy active and high-quality daily life, surrounded by other residents and our highly competent care professionals.

Meeting and interacting with people are a key aspect of elderly care services. Many of our residents have memory disorders of various degrees. We want our residents to feel safe and enjoy the final years of their lives.

Our core competence is our strong care capabilities and the provision of high-quality sheltered housing. Our employees have exemplary professional skills. For example, all our care providers receive training on the validation method of interaction, which provides tools for respectful encounters with persons suffering from memory disorders.

"Our resident satisfaction and employee satisfaction continued to improve. Our occupancy rate was exceptionally good in 2023."

– Arne Köhler, Head of Elderly Care



Highlights

The continued improvement of resident and employee satisfaction were among our key achievements last year. This can be seen in our new housing facilities being filled up quickly, as well as our record-high numbers of job applications and new hires.

"There is great interest in placing residents in our homes, which is evidenced by our exceptionally high occupancy rate," says Arne Köhler, Head of Elderly Care. The number of residents increased by more than 160 last year. Finances have been balanced and units that had been unprofitable for an extended period have been either sold or closed. Thanks to our financial balance, we can focus on our work and make investments in the future.

A year of growth

Last year, we established three new facilities for the elderly in Turku, Vihti, and Kontiolahti. We also expanded our operations through acquisitions. The number of employees has grown at the same time, and international recruitment has helped balance the regional availability of labour. Esperi is committed to bringing more international care providers to Finland in the coming years. The network of professionals will be developed further, and specialists will be offered more in-depth training, such as apprenticeships and specialisation opportunities.

The future

One of our values is the courage to reform. We operate in a traditional industry, but we have the courage to challenge the established practices in our field. We understand the cost pressures in the public sector and can offer more efficient and agile alternatives. We will continue to expand our operations in regions where the availability of labour is aligned with the size of the population. "We are not planning any major changes of direction. Instead, we will ensure that we have highly competent professionals and remain on a path of moderate growth," Arne Köhler concludes.

"This is an incredible place. Everything is always ready for you, food and all. I've really enjoyed my time and like it here. There are nice people, coming and going."

– Resident, Esperi Hoivakoti Vihtori



Performer of the Month

Esperi Hoivakoti Kellokas embodies Esperi's vision: the happiest residents in Finland.

Find out what are the ingredients of happiness at Kellokas.

Mental care services

We offer diverse housing and support services to mental health rehabilitation customers. The aim is to rehabilitate the residents successfully, allowing them to transition from 24-hour care to assisted living, followed by supported housing and ultimately their own home.



Our mental care services consist of 43 facilities that provide housing services and diverse activities in safe and home-like environments for a total of approximately 1,170 mental health rehabilitation customers. This includes units for substance abuse rehabilitation customers.

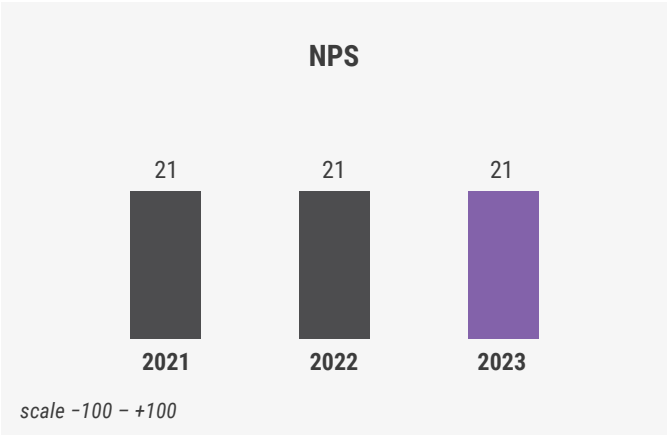
The diversity of the residents and rehabilitation customers is a particular characteristic of mental care services. We provide mental health rehabilitation customers with housing and rehabilitation services in a safe and home-like environment. The residents have their own rooms, but participating in various group activities is an important part of our housing services.

Our range of rehabilitation and housing services provides a flexible and goal-oriented rehabilitation path for all customers, whether they need 24/7 support or coaching to support living independently.

The operations of Esperi's mental care services are guided by the MIELI recovery orientation. It constitutes the foundation of our thinking and actions. It emphasises resources, participation, hope, meaningfulness, and positive mental health. The aim is for each resident's individual recovery process to lead to a satisfying and hopeful life in spite of the limitations created by their illness.

"We seek growth particularly in the Helsinki metropolitan area and growth centres where various kinds of services are available to promote wellbeing and rehabilitation."

– Pia Panhelainen, Head of Special Care Services



Highlights

The highlights in 2023 included achieving the goals of the mental care service business area and a high occupancy rate. Training on our operating philosophies and focusing on the right to self-determination were also among our achievements in mental care services. Business growth was achieved through acquisitions last year, but otherwise the market has remained stable.

The future

"We seek growth particularly in the Helsinki metropolitan area and growth centres where diverse services are available to promote rehabilitation. We want to support our residents' rehabilitation and create the conditions for transitioning to less intensive support," says **Pia Panhelainen**, Head of Mental Care Services.

An excursion to a market in Juankoski (in Finnish)

"I want to live here as long as I can"

– Resident, Esperi Koti Virkkula

"The atmosphere is relaxed and pleasant. It's nice to talk to counsellors about my affairs. I get sufficient help that I require."

– Resident, Esperi Koti Kuurnan Kartanot



Performer of the Month

Esperi Koti Elina was recognised for its strong sense of community and good work. It received special praise for its highly competent and motivated team and the genuine desire to work for the wellbeing of the residents.

More information about Performance of the Month award winners is provided on page 52.

Disabled care services

Many of the residents in our services for persons with disabilities stay in assisted living their whole lives, and our role is to be a source of support in society for them. It is important to make it possible for everyone to have a life that looks like them, which is why we support each resident according to their individual needs.

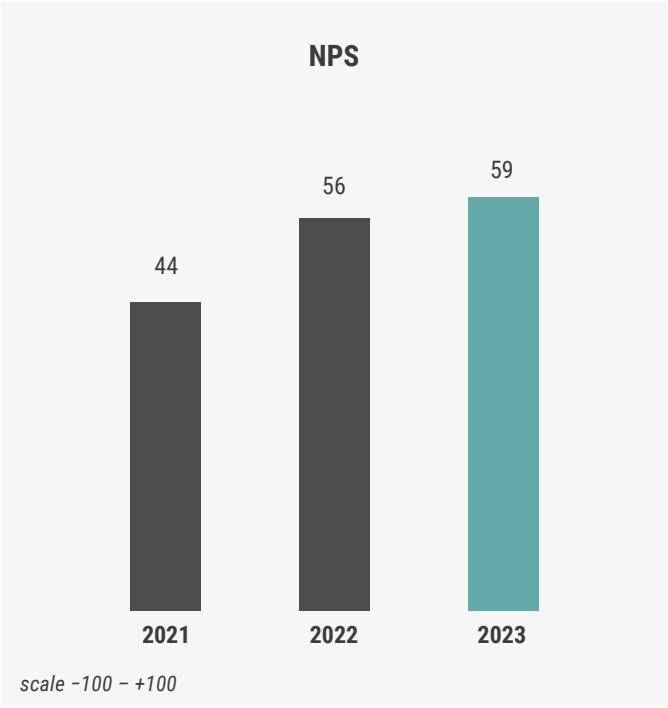


We have a total of 36 housing facilities specialising in disabled care services, with resident capacity of approximately 660 for people with intellectual disabilities, physical disabilities, and autism. Our housing units provide them with individualised housing, activities, support, and safety in a manner that takes each resident's needs, functional capacity, and life circumstances into account.

Services for the disabled are characterised by the customers' need for lifelong support. Many need 24-hour care, but some manage with less intensive support. The units are small and home-like. Our care providers and assistants work at the homes to provide support to the residents. The key starting points of our services for the disabled are their right to self-determination and individual life planning. The role of the assistants and care providers is to empower residents to lead their own lives, providing the necessary support to facilitate this.

"They understand me here and I feel comfortable here. This is like a big family."

– Resident, Esperi Koti Sinirinta



Highlights

During the year under review, we were pleased to achieve continued improvement in resident satisfaction and our occupancy rate. We also provided training to our employees and achieved many of our goals. We focused on the essentials, which enabled us to improve resident satisfaction.

The future

The aim is to achieve moderate growth in the next few years, which is why attracting new people to the industry is important. We are planning to establish a new housing facility for disabled care, and we aim to expand our operations in the Helsinki metropolitan area. The current situation in the financial markets is not favourable to new construction investments, but we continue monitoring the situation. The market for services for persons with disabilities is stable.

"Thank you all for being here. All of the care providers are very important to me."

– Resident, Esperi Koti Ahomansikka



Performer of the Month

Esperi's communication and marketing team was recognised for the "It is a pleasure to meet you" photo exhibition, which featured photos and moving stories of care work by our care providers

Read more about the exhibition (in Finnish)

Saga premium communal services

Saga premium communal services offers high-quality housing for the elderly in the company of their peers. Our residents are social and active senior citizens who enjoy participating in the diverse activities offered by the sheltered housing units.



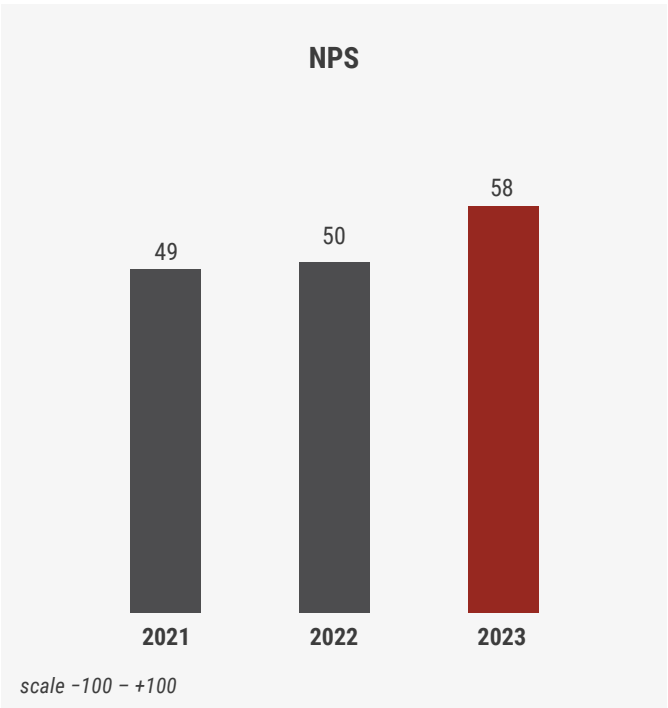
We have eleven Saga premium communal services units for private customers. The total resident capacity is approximately 1,330. In Saga communal services, our elderly residents enjoy high-quality living with good access to services. Saga combines active daily life, a safe and accessible environment, and diverse services that are adapted to each resident's individual needs.

The consumer customers of Saga rent an apartment in a Saga housing unit and purchase additional services as needed. Examples of these services include home care, wellness services, restaurant services, cleaning and related services, and hairdresser services.

The residents are slightly younger than those of our elderly care services. They are still socially active and eager to have different experiences and interaction. The housing facilities are also larger than in our other business areas, and they employ various professionals in addition to caregiving staff.

"We want to be a forerunner in the market."

– Jussi Lehtonen, Head of Saga communal services



Highlights

"The recovery of the business has increased financial certainty for the future. We can now consider Saga's future and opportunities much more extensively," says **Jussi Lehtonen**, Head of Saga communal services . The high occupancy and service utilisation rates have enabled the good development of the business. New legislation has improved the operating conditions for Saga, and our concept is now within the scope of home care services. "The situation has become significantly clearer and more straightforward," Lehtonen notes.

Satisfied residents

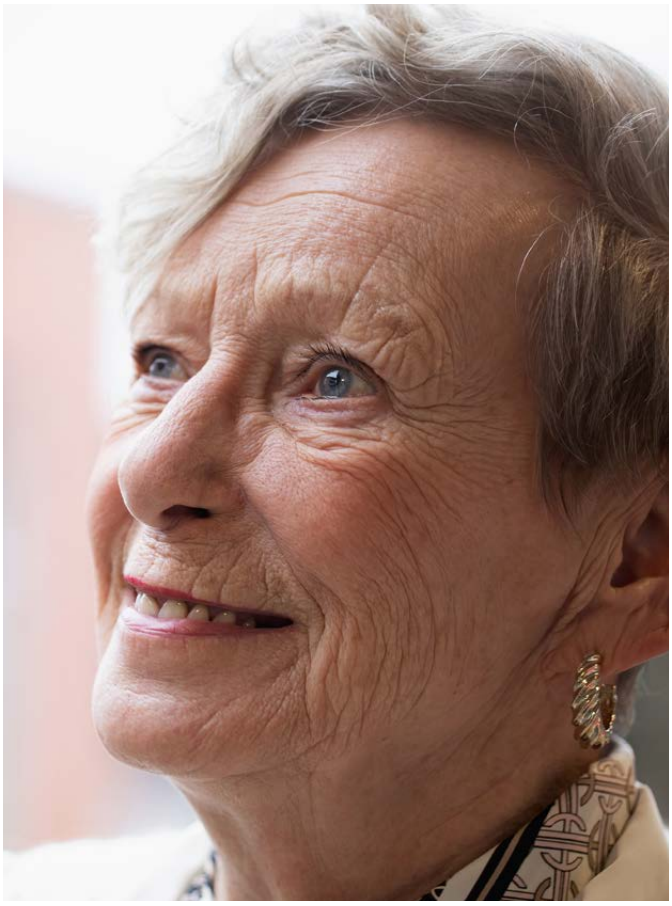
Saga's diverse services have been highly sought-after and appreciated. We have managed to improve quality, and all indicators of resident satisfaction are trending upwards. The Net Promoter Score (NPS), which we use as an indicator of resident satisfaction, was a very impressive 58 last year (2022: 50), which is among the highest in the industry. Satisfied residents are also a source of motivation for the employees, which makes Saga facilities highly attractive workplaces.

"Our long-term efforts to develop customer orientation and employee satisfaction have produced good results. Our sheltered housing facilities are almost fully occupied, and resident and employee satisfaction have continued to improve. We want to be a forerunner in the market," Lehtonen concludes.

Read more: Feedback from Saga residents: "Grade A service" (in Finnish)

"Heartfelt thanks for the excellent care and outstanding food!"

– Resident, Saga Turku Kaskenniitty



The future

Sustainable housing and services have become increasingly important to our customers, so we have paid special attention to the sustainability of food services in particular. In the future, our environmental programme will focus more on recycling and renewable energy, for example. Food services will be developed in a more climate-friendly direction by having a high percentage of domestic ingredients, providing vegetarian alternatives, and reducing waste, while paying attention to the opinions of the residents. We will be able to offer more digital solutions to Saga residents, as the new residents are now more accustomed to using technology. Indeed, digitalisation is one the next great opportunities, and we aim to use it to make daily life easier for our residents.

Good care

Good care is unwavering safety and security, professional care with genuine human interaction, daily life as part of a community, and shared joys and sorrows. It is at the heart of everything we do, and we work every day to maintain and develop it.



Good care takes many forms

Good care is a feeling and a sense of safety and security, but it can also be measured. In the field of social services and healthcare in Finland, there are as many definitions of quality as there are tendering processes. Adopting common quality indicators between operators is important, especially now that the sector is taking a new shape, says Director of Quality ***Eeva Ketola.***



Director of Quality Eeva Ketola sets the bar high.

"We want to provide the best care in Finland at a minimum," she says when asked about Esperi's quality goals.

Ketola knows that the goal of having the happiest residents in Finland is entirely achievable and that we are already on the right path.

"Our resident and employee satisfaction indicators are trending upwards, we are improving our quality and safety year by year, and we engage in development and training. We are heading in the right direction at a good pace," Ketola notes.

Training and projects contribute to sustainable change

Our indicators of good care were again at a good level during the year under review.

We audited a number of units, provided our units with targeted support to address challenges, used the ELLI programme to introduce Lean principles into the day-to-day operations of several housing facilities, and we cooperated with the other support functions.

"It was a busy year," Ketola says. "Everything we do is aimed at sustainable change and permanently adopting even better operating practices. Every project and training activity is geared towards these goals."

Quality and the development of care are among the key themes of our training activities. In 2023, we organised a total of 126 quality-related training activities for our employees, and our quality function carried out 27 targeted support visits.

The most recent major training effort was the adoption of the validation method in our units providing elderly care services. Alongside that theme, we now focused particularly on safety and security-related training.

"Investing in the competence of our care providers and other staff is a direct investment in our future."

A year of safety and security

The prevention of deviations was a high priority in 2023.

"Deviations in medication are the most typical deviation category in social services and healthcare. In 2023, we highlighted the reduction of deviations in medication as a particular goal," Ketola says.

According to Ketola, a number of preparatory measures were initiated to reduce deviations. These measures will culminate and take concrete form in 2024, as addressing deviations has been selected as the theme of the year.

"In 2023, we updated many of our training materials, improved the usability of the Laatuportti quality management tool, and enhanced our practices related to pharmaceutical safety by comprehensively updating our medication plan, for example. All these improvements will continue to be implemented at our housing facilities to promote the reduction of deviations in 2024," Ketola explains.

In 2023, preparedness was also strengthened by exercises in accordance with the emergency preparedness plan. This provided valuable lessons for the management and the units.

"We need to ensure high-quality care for our residents even in exceptional circumstances. We cannot influence the global situation, but we can take steps to prepare for disruptions and changes in circumstances."

What definitions of quality are used in competitive tendering for care services?

Read Eeva's blog (in Finnish)



Moving forward through cooperation and with transparency

The legislation and the recommendations and guidelines issued by the health authorities create a robust foundation for the quality of care in our industry. The aim is to ensure a basic level of quality for customers regardless of the service provider.

"The legally required standard of care is not ambitious enough for us. We aim to achieve a higher standard of care each year," Ketola says.

Ketola points out that the development of care and quality requires cooperation not only within Esperi but also throughout the industry.

"Internally, the importance of good cooperation and a strong culture has been emphasised, for example, in acquisitions and integrations that bring entire units into the Esperi organisation. Successful integration is an essential part of good care. Sebastian Knight has done an exemplary job of leading our activities in this area," Ketola notes.

Cooperation and transparency between various operators in social services and healthcare is now also increasingly important in Finnish society, as the wellbeing services counties have only just started their operations and the sector is taking shape.

"It is especially important that the quality of care is incorporated into the criteria applied in competitive tendering. We are pleased to note that this has already been the case in several wellbeing services counties," Ketola says.

According to Ketola, the definitions of quality criteria are still a challenge, as there are almost as many definitions as there are wellbeing services counties.

"I hope that the wellbeing services counties will engage service providers in the process of defining the quality indicators used in competitive tendering. This way, we can achieve the best possible outcome through cooperation, which benefits taxpayers as well as those who need assisted living and other care services."

While there is still much work to be done in the development of the sector, Ketola is pleased that there is a shared commitment to development, both between the various parties involved and within the Esperi organisation.

"We have an exceptional level of commitment to do things better from one year to the next. I could not be prouder of Esperians," Ketola concludes.

"It's been lovely and safe to live here. I've made a good friend here. The nights have been safe."

– Resident, Esperi Koti Pähkinä

What are the keys to a responsible acquisition and successful integration?

Find out more on page 58.



ELLI project: Lean thinking and transformation in housing facilities

The ELLI development programme is based on the Lean philosophy used in many companies. The guiding Lean principles are continuous improvement and the elimination of waste and unnecessary activities. What kinds of changes has ELLI brought to the five housing units that participated in the project in 2023, and how have the initial reservations turned into enthusiasm for further development?

From initial reservations to shared successes

Originally launched in 2022, the ELLI project was expanded in 2023 to Esperi Hoivakoti Jaatinen, Esperi Hoivakoti Kerava, Esperi Hoivakoti Rantakylän Helmi, Esperi Koti Päivölä-Peltola, and Esperi Koti Valkama.

"We are pleased that ELLI has brought significant changes not only to these facilities but also a number of our units before them. Lean thinking provides an opportunity to streamline day-to-day operations at our housing facilities and develop daily care work with the help of shared practical observations," says Director of Quality **Eeva Ketola**.

At Hoivakoti Rantakylän Helmi in Joensuu, the employees initially had significant reservations about the ELLI project. Their attitudes subsequently turned around when the Lean approach proved to be a valuable tool.

"It has brought clarity to our processes and helped us recognise the factors that contribute to change and the achievement of our goals. Our employees have taken an active role in development and generating new ideas," says Unit Manager **Minna Takkunen**.

According to Takkunen, Rantakylän Helmi wanted to streamline the residents' mealtimes.

"Lean exercises gave us insight into which factors hindered calm and peaceful mealtimes and what was necessary for achieving our goal. These types of exercises have brought clarity to our journey of change, and I am sure we will continue to make use of the lessons we have learned," Takkunen explains.

Coaches support Lean thinking

Service Specialist **Sirpa Laukala** is one of the coaches in the ELLI development programme. In 2023, she assisted Hoivakoti Kerava.

"Lean has provided the employees of the housing facilities with tools to develop their work. The participating facilities have achieved concrete improvements. For example, the duration of the medication process at Hoivakoti Kerava has been shortened by 40 minutes. The Lean model has helped to significantly improve operations at the housing facilities," Laukala notes.

Laukala says that she is in her dream job and the coaching opportunity is the cherry on top.

"We coaches have learned new ways to inspire the housing facilities and engage them in development efforts. Coaching has brought hope and enthusiasm to the facilities and motivated them to develop their operations," Laukala adds.

The performance indicators and experiences of the participating housing facilities speak for themselves. Esperi Koti Valkama, for example, has initiated a development effort to ensure its operations meet today's needs and correspond to the wishes of the wellbeing services counties.

"It is important that we can provide the kind of service that the wellbeing services counties want to purchase from us. ELLI has played a key role in this," says Area Manager **Kirsi Hynninen**.

ELLI will be expanded to new facilities

Quality Manager **Paula Niittymäki**, the person in charge of the ELLI project, is pleased that the participating housing facilities have achieved successes and gained insights.

"It has been great to see that the housing facilities have embraced this project as an opportunity to influence their work and the care we provide," Niittymäki says.

According to Niittymäki, it is important to note that operating practices cannot be established or changed overnight.

"Quick fixes might help for a while, but we are looking for permanent improvement. In my view, that is what the ELLI project has enabled us to achieve," Niittymäki notes.

The ELLI project will be expanded to new housing facilities in 2024. The experiences and benefits achieved to date indicate that the project is worth continuing.

"Taking advantage of the observations people make in their day-to-day work enables a growing number of our housing facilities to focus even more effectively on our goal of having the happiest residents in Finland," Niittymäki concludes.

The cornerstones of high-quality care are measured daily to strengthen them

At Esperi, the cornerstones of high-quality care are robust professional competence, good planning, and safety and security at work. These cornerstones are key priorities for us. That is why we measure them daily and focus on our improvement efforts on any observed shortcomings. According to Director of Quality Eeva Ketola, systematic and long-term quality efforts are reflected not only in quality indicators but also in better and safer day-to-day operations.

Good care is much more than the sum of its indicators. According to Director of Quality Eeva Ketola, each performance indicator is just one way of evaluating the quality of care. Nevertheless, together they constitute a set of metrics that is very valuable for Esperi.

"Only what is measured can be monitored and developed. Achievements would also be harder to recognise in the absence of performance indicators. My job is to increase the visibility of both our shortcomings and achievements in the provision of care. By working together, we can ensure that there are more achievements than shortcomings," Ketola says.

At Esperi, the indicators of good care are also an important part of the "Safe housing facility" dashboard, which is a strategic management tool implemented in 2021. The dashboard provides us with a quick view of the current situation at Esperi with regard to good care, good work, good life and good economy.

"The overall direction is positive, not only in terms of good care but also for the other aspects of our operations. During the year under review, the dashboard was not in the red for any of our housing facilities, which is something we are very pleased about," Ketola explains.

The indicators are heading in the right direction

According to Ketola, the indicators of good care continued on a positive trajectory in 2023. The number of activities was increased to five per week on average, which is a good achievement, although there is still room for improvement. Our indicators related to functional capacity exceeded our targets, while the indicators of keeping service implementation plans up to date were slightly below the targets.

"We achieved our targets for 2023 almost across the board, and we improved our operations when compared to 2022. We will again raise the level of ambition in our targets for the coming years, as we still have room for improvement," Ketola notes.

The indicators of good care

- Daily entries in resident documentation
- Number of activities for each resident
- Keeping service implementation plans up to date
- Carrying out the process to address deviations within the agreed-upon time
- Monitoring each resident's functional capacity and service planning based on the observations.

Addressing deviations

In 2023, we carried out important preparatory work for reducing deviations, which is our theme for the year 2024.

"A big part of our quality efforts in 2023 was focused on further strengthening the foundation of safety. For example, we enhanced and automated the reporting of deviations and produced new illustrations that strengthen safety culture at the unit level. They provide reminders in our housing facilities of slippery floors, open doors, trip hazards, and other safety risks," Ketola explains.

In 2023, we also established an investigation process for serious incidents.

"We conducted a total of 19 comprehensive investigations in response to serious deviations in 2023. Our investigation process is highly specific and effective, and it enables good monitoring and a quick response," Ketola says.

A total of 1,012 observations were made during audits in 2023. Of these, 355 were audit deviations and the rest were strengths and areas of improvement. All deviations were processed within the target time.

"All in all, our safety culture is at a good stage of development: self-reported obervations are actively reported and their processing at the units is monitored in our weekly reports."

In 2023, the number of significant audit deviations was 15.3 per 1,000 residents, which was higher than our target (<6). We have set a new target (<8) for 2024. To achieve this target, we will continue our efforts aimed at improving safety and preventing deviations.

The business functions and the management team monitor deviations every month. Hazardous incidents caused by serious deviations are summarised for the entire organisation on a quarterly basis to ensure that the lessons are learned.

"We develop our safety every year. It is the highest priority with regard to good care, good work and Esperi as a whole," Ketola concludes.

Further improving safety in medication

In 2023, our quality-related efforts were focused not only on safety and deviations but specifically on medication-related safety. For example, we audited the medication practices at our housing facilities and, under the leadership of Quality Manager **Katri Halttunen**, we prepared a visualisation of the various stages of administering medicines and the risks involved.

We also continued Esperi's own e-pharmaceutical clinics, which are coordinated by Saga's Quality and Development Manager **Mia Wesanko**. The purpose of the clinics is to provide as many nurses as possible with training that will allow them to obtain the licences necessary for the administration of medicines. Having more nurses with these licences facilitates shift planning and the organisation



We designed a poster for our homes that examine areas of potential risks.

of medication.

"The process of obtaining the necessary licences has been made easier by the work we did in 2022 with electronic licensing. Instead of having to deal with large amounts of paperwork, the requirements for obtaining a licence to administer medicines can now be completed conveniently online," Wesanko says.

As part of the improvement of pharmaceutical safety, we also updated our medication auditing by making it digital.

"The medication audit form has been added to the Laatuportti quality management tool, enabling the separate evaluation of medication in connection with audits," Ketola notes.

Good progress with projects

In 2023, we also continued to work on many of our previously launched quality projects. For example, we are prepared to start using MyKanta healthcare platform when all entries in social services will be migrated to that system in September 2024. At Esperi, the project has been led by Quality Manager **Sanna Nurmela** from special housing services.

"We continued to train our employees on good practices related to making entries in the records, and we also trained coaches specialising in the making of entries in the records to support the transition to MyKanta at our units. We are in a good position to make the change," Nurmela says.

The use of the Resident Assessment Instrument (RAI) to assess the service needs, functional capacity, resources, and health status of elderly persons became mandatory in elderly care at the national level in April 2023. We made a big effort in 2022 to train our employees to enhance their RAI competencies under the leadership of Quality Manager Paula Niittymäki. This enabled us to be well-prepared for the implementation of the instrument in spring 2023, as required by the law.

"We adopted the RAI assessment in all our business areas even though the law only requires its use in elderly care. Using the instrument helps us improve the quality and measurability of our care across the board," Niittymäki says.

We also continued our training activities on our guidelines and operating model for uniform end-of-life care, completed in 2020. In 2023, we also created an online course on the content on our ESKO training platform. The aim of the end-of-life care guidelines is to ensure that the care is always provided in accordance with the individual wishes of the person in question.

Ketola also highlights the Quality Forum as a continuing project that is of particular importance. It is a type of committee that supports quality development and consists of Esperi employees as well as the inner circle of Esperi residents. In its meetings, the Quality Forum monitors the implementation of Esperi's development projects and discusses new ideas. During the 2023–2025 term of the Quality Forum, the topics include end-of-life care, medication, the development of the self-monitoring plan, and the impacts of joining the Kanta customer database for social services.

"The Quality Forum is a great example of the power of collaboration in maximising the impacts of quality development efforts. The quality of our care is not only important to us and our residents, but also to the loved ones of the residents. It is a good performance indicator for us – we want to provide the kind of care that you would want your loved ones to receive."

Self-monitoring programme and audits throw light on the whole industry

One big advantage was that our self-monitoring programme was already completed when the wellbeing services counties began their operations in January 2023.

"Our head start meant that in 2023 we could focus on putting the plan into action and updating the templates used in self-moni▸

toring, for example. The plan is an important tool for risk management and quality monitoring, and we already use it in our day-to-day work," Ketola explains.

Inspections by the authorities and audits are also important tools for ensuring our quality and safety, as well as developing the operational capabilities of our units. Our quality management system meets the requirements of the ISO 9001:2015 standard. It is regularly audited at the unit and Group level by LabQuality, an independent external party.

A total of 103 audits were carried out in 2023. They consisted of 82 internal audits and 21 external audits. Approximately one-third of the units are audited each year. In 2023, we carried out all our planned internal audits, and we also made 27 targeted evaluation and support visits to our units.

Ketola points out that self-monitoring and auditing are part of the big picture of quality assurance and development in social services and healthcare.

"Self-monitoring is important for ensuring the quality of Esperi's own operations and services, while external audits provide an objective assessment and an opportunity to develop the operations. Internal audits and self-assessments can support the organisation's own quality management efforts. Putting all these elements together helps ensure high-quality and safe social and healthcare services," Ketola adds.

National projects

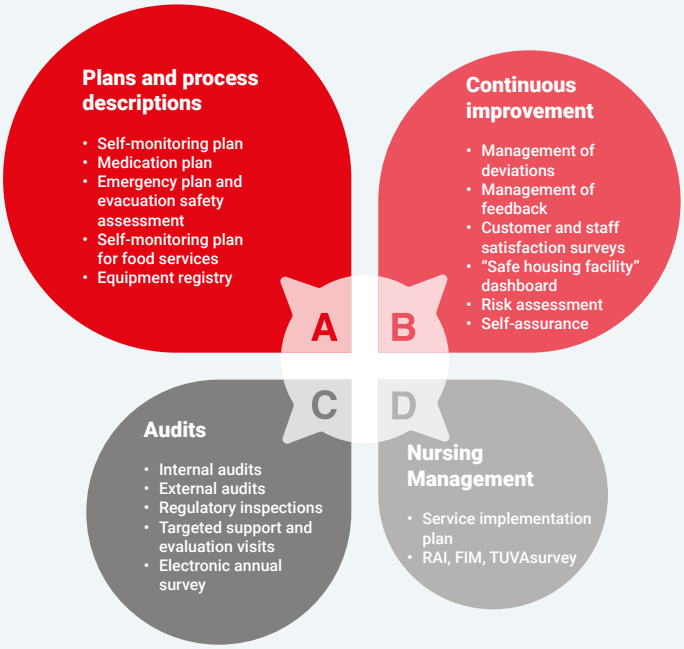
After the project implemented under the Government's analysis, assessment, and research activities (VN TEAS), we have participated in the planning of the implementation of the new national Client and Patient Safety Strategy.

The Client and Patient Safety Strategy and its Implementation Plan 2022–2026 will promote inclusion, measures to strengthen safety, and the management of safety culture in Finland.

The vision is that Finland will be a model country for client and patient safety in 2026 and that we will prevent avoidable harm. This means that we will introduce recommendations based on the best research data so that they will benefit the management, professionals, patients, and customers in all organisations at all levels of operation. Our goal is to promote the project in social services so that good work, good care, and good life can be realised equally and transparently regardless of the service provider.

Find out more about our self-monitoring programme on our website (in Finnish).

Find out more about Esperi's end-of-life care promise (in Finnish).



Our quality efforts are guided by our quality management system, the "four-leaf clover of quality".

Self-monitoring and auditing – a threat or an opportunity?

Read Eeva's blog (in Finnish)

Good care
Targets:

Indicator	Target for 2023		Outcome in 2023	Target for 2024
Service and implementation plans	>95 %	🟡	92.8%	>98%
Customer entries	>99.2 %	🟢	99.5%	>99.2%
Coverage of functional capacity indicators	RAI >95% FIM >95% TUVA >95%	🟡 🟢 🟢	RAI 94.7% FIM 99.6% TUVA 97.1%	RAI >98% FIM >98% TUVA >98%

Meals tailored to elderly residents' tastes and aligned with nutrition guidelines

In autumn 2023, we worked together with Compass Group to make changes to the meals served to our residents. We introduced a common model for organising the daily meals and providing the residents with tasty food that meets nutrition guidelines. Esperi's food service partners also include other providers, such as Feelia.

All meals are delivered to the housing facilities twice a week in accordance with the menu. The kitchen staff of the facility are responsible for heating up the food, serving the meals, and preparing salads, for example.

"Esperi's elderly customers receive a full complement of meals every day: breakfast, lunch, coffee or snack, dinner, supper and other daytime and nighttime snacks as necessary. Special diets and any needs to adjust the structure of the food are taken into account in the meals," explains Purchasing Director **Markus Hemdahl**.

At resident meetings, our elderly residents often request certain foods that they enjoy. We try to fulfil these requests as far as we can. In addition to taking the residents' preferences into consideration, we also celebrate public holidays and birthdays.

"Our meal model is based on the nutrition and food recommendations of the National Nutrition Council and the Finnish Institute for Health and Welfare. We serve sustainably produced food and prioritise domestic ingredients," Hemdahl explains.

We have made adjustments to the daily meals in response to the residents' wishes. For example, we used to serve high-protein porridge as a snack, but changed back to pastries because that is what the residents wanted. We also made changes to the side dishes served with the meals.

"We used to serve quite a lot of rice-based meals but, at the request of the residents, we replaced them with potatoes, which are much more familiar to them," says Unit Manager **Henna Englund** from Esperi Hoivakoti Pajulehto.



Aino likes the taste of the food, and she is satisfied with the meals served at Pajulehto in other respects as well. "It's good and tasty," she says.

How successful has the partnership with Compass Group been from the housing facility's perspective?

"We initially experienced some challenges with the quantities of food delivered. Sometimes, certain meals were missing, and we had to switch some meals around. All of the mistakes were addressed very quickly, and Compass Group's customer service is highly effective," Englund notes.

Our residents enjoy traditional home-cooked Finnish food, which is also what Englund has requested the service provider to deliver. Unusual dishes do not suit the taste buds of the elderly residents. They prefer the casseroles, soups, and gravy-based dishes they are accustomed to. The food delivered to Pajulehto is prepared at Compass Group's commercial kitchen in Vantaa's Pakkala district.

Read more about what the residents of Esperi Hoivakoti Pajulehto in Vihti think about the lunch served at the housing facility.

Good survey scores for taste

In Esperi's surveys of the satisfaction of elderly residents and their loved ones (2021–2024), the statement "the food is tasty" was rated as "agree completely" by approximately **67%** of the respondents and "agree somewhat" by approximately **19%.** The total number of respondents was **3,341.**

"Here they listen to your opinion and the food is delicious."

– Resident, Esperi Hoivakoti Herttuankulma



How to connect with a person with a memory disorder?

Memory disorders are a sensitive and difficult topic. The illness changes people. A person you love can start to behave in ways that are unrecognisable. You may wonder how you should communicate with this person who feels simultaneously familiar and unfamiliar.

"Memory disorders change people and their emotions. They may express their emotions intensely. It can be difficult to interact with the person when you can't find the right words to say," explains Service Specialist Sirpa Laukala.

The loved ones of people with memory disorders may also find it difficult to process their own feelings. Indeed, memory disorders are often described as an illness of the whole family, as its impact extends beyond the people with the disorder. Unexpected things can happen when interacting with them.

"The better you understand the illness and its stages, the better you can prepare for different situations. Friends, family, and professionals can help process the situation," Laukala says.

It is important to look after your own wellbeing. You also need to have compassion for yourself as it may be impossible to find the right way to respond, and this is true even for professionals, such as nurses. "The process is also rewarding because you are always learning."

It is important to focus on the time spent together rather than the difficulties with remembering. Presence, eye contact, and touch are meaningful in themselves, as they leave the person with emotional memories. Just spending 15 minutes together can be an important encounter for the memory-impaired person.

It helps to have a positive attitude and to give space to your own feelings and the feelings of your loved one.

"You can express compassion for the emotions experienced by the person by using words of empathy. You should avoid rejecting or correcting their statements, and you need to respect the person's experiences and perceptions. To the person, their emotions are real and important. Our role is to provide support and consolation. We can hold their hand, listen to them, be present in an empathetic manner, hug them, or go for a walk, for example."

It is also important to give people with memory disorders the space to express themselves. "You should not ask them whether they remember a specific thing. Instead, you can ask leading questions," Laukala points out.

A person with a memory disorder may remember their childhood family but not recognise their own child or themselves in the mirror.

"If a person with a memory disorder expresses a longing for their home, you can ask leading questions based on that. You can ask them about the home and reminisce together. It is important to recognise the person's emotional states and empathise with them.

Find out more about daily life at our housing facilities on our social media channels: #töissäesperillä #espericare

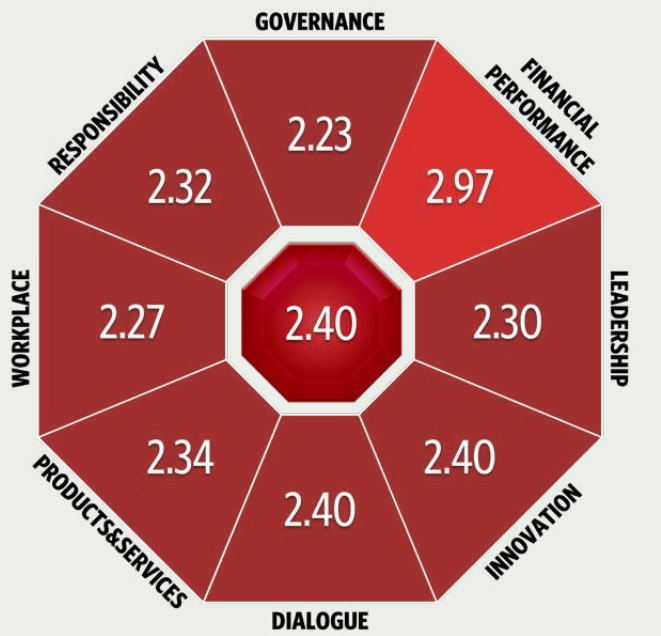
Good life

A good life is the sum of many factors. It is important to us that our housing facilities provide a safe and home-like environment, good care, and opportunities for active daily life. Our resident satisfaction is continuing to trend upwards, which means that we are on the right path.

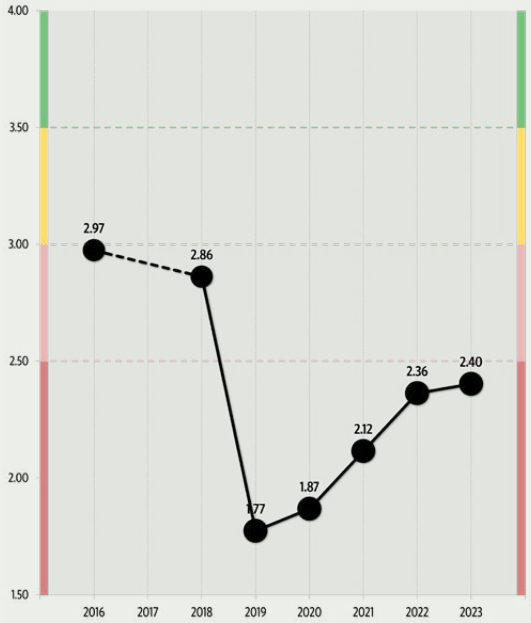


A sustainable care provider bears responsibility for the industry's reputation

The reputation of the care industry has suffered in recent years, and the industry's attractiveness in the eyes of prospective employees has declined. According to Sales and Marketing Director ***Jani Nurisalo****, this creates a significant question for society: who will take care of us in the future if the industry fails to attract new professionals?*



Esperi's results for the various areas of reputation in T-Media's Reputation & Trust survey in 2023. Esperi's reputation developed particularly well in the areas of responsibility, governance, and dialogue. (scale 1–5)



Esperi's reputation trend in T-Media's Reputation & Trust survey during the period 2016–2023.

The reputation of the care industry has suffered in recent years, and the industry's attractiveness in the eyes of prospective employees has declined. According to Sales and Marketing Director Jani Nurisalo, this creates a significant question for society: who will take care of us in the future if the industry fails to attract new professionals?

Although the reputation of the care industry has deteriorated in recent years, we have performed well at Esperi, says Sales and Marketing Director Jani Nurisalo. How our reputation has developed speaks for itself but, in the big picture, that is not enough.

"Even though we are rowing against the current of the development of our industry's reputation, we are still in the same boat as everyone else. If the industry's reputation does not develop in a positive direction, we will inevitably be affected as well. The number of people looking to work in the industry will decline, and it will be difficult to find competent professionals," Nurisalo explains.

Reputation improvement requires a long-term effort. At Esperi, we are doing our part to improve the reputation of the whole industry. We have invested in developing the quality of care, training, and leadership, and we have actively highlighted our development efforts and the good daily life at our housing facilities on social media. In 2023, we created a photo exhibition that helped build up the reputation of the industry by putting the spotlight on the care providers and their moving stories of care work. The exhibition was displayed at schools, colleges, and shopping centres.

"In the results of T-Media's Reputation & Trust survey of the social services and healthcare industry, published in spring 2023, Esperi's reputation improved for the third consecutive year. As one of the largest players in the industry, the development of our reputation will hopefully have an increasing impact on the reputation of the whole industry forward," Nurisalo says.

Esperi's reputation developed especially in three areas: responsibility, governance, and dialogue.

"According to T-Media, the company responsible for the survey, these areas are the most difficult to improve. Our scores only decreased for the questions concerning financial performance. The factors that contributed to this likely included the economic recession, problems in society, the general subdued economic climate, and the public discussion in recent years regarding contracts and their profitability," Nurisalo explains.

In 2023, we again conducted satisfaction surveys of our residents and their loved ones, and the results were excellent. We received over 5,700 responses, which represents an increase of over 1,000 when compared to the previous year.

A significant proportion of the answers – approximately 70% – came from residents. The inner circle of our residents was also active in giving us feedback that helps us develop our operations. The feedback brings visibility to the good work we do at our housing facilities.

"We saw excellent promoter score development in our business areas. Moreover, our employee's willingness to recommend us an employer was high – among the highest in our industry," Nurisalo adds.

"Reputation is not built overnight. It takes long-term work and starts from the inside. I am confident that our efforts to improve resident and employee satisfaction will also be seen outside our company, and hopefully they will have an impact on the industry as a whole," Nurisalo concludes.



On the path to resident satisfaction: feedback is improving year by year

We want to provide our residents with a better life and higher-quality care from one year to the next. With this in mind, resident satisfaction is a particularly important indicator for us, and we monitor it closely. We measure it by the Net Promoter Score (NPS), which illustrates the share of customers who would recommend our services. Our resident satisfaction continued its steady rise in 2023.

In the NPS survey, the respondents are asked to rate their likelihood of recommending Esperi's services on a scale of -100 – +100. The feedback is collected from customers with mobile devices, and the need for support among different customer groups has been taken into account in their use. We started using the NPS index to measure customer satisfaction in 2021. Prior to that, we used a different measurement method and scale.

In 2023, the NPS score for Esperi as a whole was 41. This means that the number of promoters is much higher than the number of detractors. The score also shows another year-on-year improvement, with the overall NPS having been 38 in 2022. A positive trend in NPS was achieved in all our business areas except mental care services, where the satisfaction of residents was on a par with 2022. The NPS score for the loved ones of residents was 35 for Esperi as a whole.

"The NPS score for residents in our elderly care services rose to 44, Esperi's highest score on record. Nearly 60% of the residents gave us a score of 9 or 10, which makes them promoters," says Sales and Marketing Director **Jani Nurisalo**.

Very high satisfaction among special groups

Esperi's special groups of residents, namely persons with intellectual disabilities and other disabilities, mental health and substance abuse rehabilitation customers and their loved ones were active in responding to our surveys last autumn. The feedback reflects a very high rate of satisfaction among the residents. Read more (in Finnish).

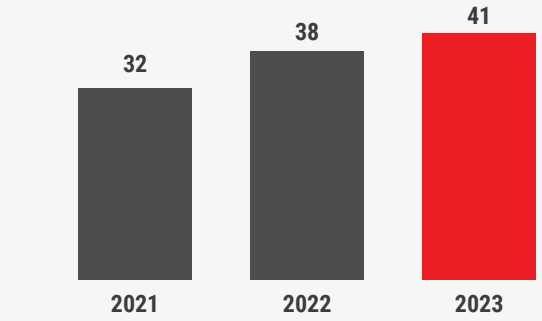
We take pride in this

In 2023, we achieved a significant improvement in resident satisfaction in our elderly care services.

The NPS index is a widely used indicator in many industries

"The improvement in our NPS scores for elderly care services speaks to the good work we have done. Of course, now that the COVID-19 pandemic has eased, it is also easier for people to spend time with their loved ones, which also contributes to the improved satisfaction. At the same time, our focus on the validation method, employee training, providing adequate activities, engaging the participation of residents at our facilities, the significance of designated care providers, service implementation plans, and promoting the right to self-determination are all factors that have supported the improvement in satisfaction," says Arne Köhler, Head of Elderly Care.

Development of the perceptions of residents and their loved ones for Esperi as a whole, 2021–2023:



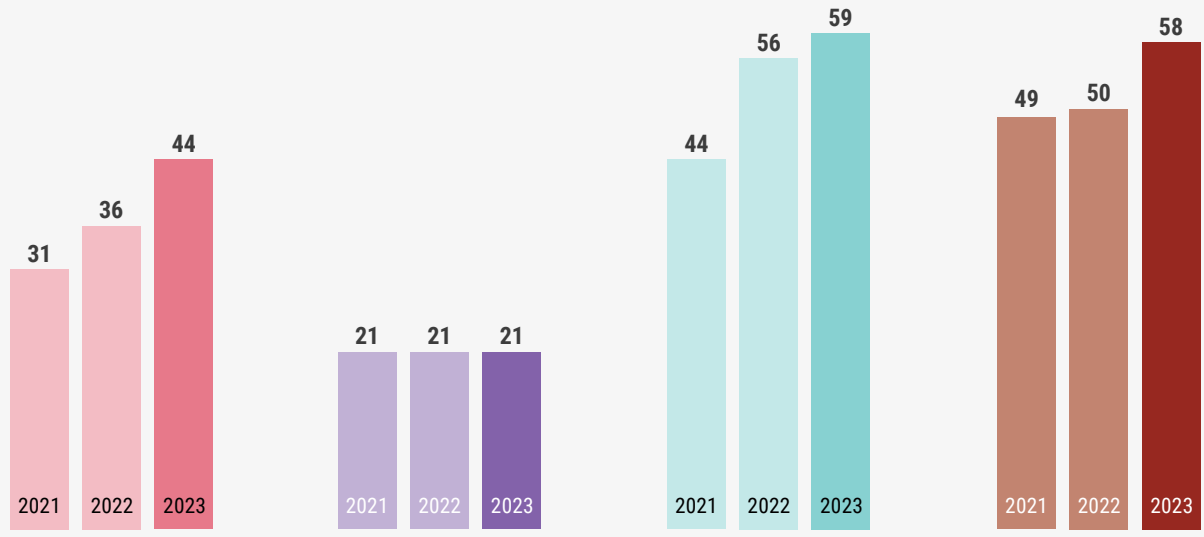
scale −100 – +100

What is NPS?

NPS is the most widely used indicator of customer satisfaction around the world. In our case, our NPS score reflects the views of residents, their loved ones, and municipal decision-makers. Examples of the underlying factors include the friendliness of the employees, the atmosphere in our housing facilities, and cooperation with the loved ones of the residents.

Browse real-time customer satisfaction results on our website (in Finnish).

Development of the NPS for residents and their loved ones by business area:



scale −100 – +100

Satisfied residents at Saga communal services

Resident satisfaction has also continued to develop favourably in our Sagacommunal services units , where the residents are often in a more active stage of life than in our other facilities in elderly care services.

Our surveys of residents and their loved ones indicate that their satisfaction with the operations of our Saga units has improved when compared to 2022, and they would be willing to recommend the services to their friends. The NPS for Saga residents was 58 (2022: 49). The NPS for their loved ones rose substantially and was 58 (2022: 45).

"We have a high rate of satisfaction among the residents of Saga sheltered housing. We are a significant home care service provider: we have 1,330 apartments and hardly any vacancies. The good development of our operations is clearly reflected in the feedback from our residents and their loved ones," says Jussi Lehtonen, Head of Saga communal services

The residents of Saga communal services live in their own apartments which they have decorated themselves. For them having an active and independent lifestyle is important as are recreational and cultural activities, which is why related services are available to support these needs. Saga properties have their own libraries, restaurants, fitness centres, and sauna facilities, for example. There are also hairdresser, pedicure, and physiotherapy services available, and some of the properties have an indoor or outdoor swimming pool or a therapy pool.

"In the feedback we received in 2023, the restaurant services, medical services, physiotherapy and massage services, pedicure services, and cleaning services were all given higher ratings than previously. In addition to providing access to high-quality services, it is also important that the residents feel safe at Saga communal services units," Lehtonen adds.

Feedback from our Saga residents:

"I am satisfied with my own safe home. Thank you to everyone!"

"Thank you for your kindness. I trust and appreciate the staff very much."

Activities enrich a good life

We organise various activities at all our housing facilities. Examples of these include concerts, singalongs, arts and crafts, exercise, games, and spending time outdoors. The communal activities offered vary between the facilities depending on their residents. Different activities bring variety to daily life. As with any hobby, they also provide opportunities for self-realisation by engaging in meaningful things to do.

In addition to keeping an eye on the development of our resident satisfaction, we monitor our resident activities on a weekly basis. Our aim is to offer at least five activities per week. The residents get to have a say in what types of activities we offer.

"In 2023, we achieved our goal of offering five activities per week. Of course, it is also our aim that care providers have more time for unhurried interaction, spending time together, and organising activities," Eeva Ketola adds.

OmaEsperi provides a window to the daily life of a resident

The OmaEsperi communication tool provides the family members of residents with a window to their loved one's life at Esperi. Accessible by computer, mobile phone, and tablet devices, the application can be used to share content of our residents' daily life and special moments with theirrelatives. Keeping in touch is especially important if the distance between the resident and their loved one is long.

"In 2023, we focused particularly on activating our residents' loved ones to use OmaEsperi. We organised campaigns at our housing facilities to promote the use of the application," says Jani Nurisalo. By the end of the year, over 600 loved ones of residents had registered as users of the application, but there is still plenty of potential for growth.

OmaEsperi has been used since 2021 at many of our housing facilities in elderly care and disabled care services, as well as in Saga group homes. The tool has received good feedback from the users, but its technical features are still being improved. According to Stefan Wentjärvi, the development of the application will continue.

"We are investing in OmaEsperi and intend to improve the application further in 2024."

"OmaEsperi is a window to the daily life of my loved one, so I can experience the moments that I am unable to share with them. It is a feel-good tool for communicating with my family member, and I will definitely continue to use it."

– Pinja, an OmaEsperi user and a loved one of an Esperi resident.

Read about the experiences of a resident's loved one regarding the use of OmaEsperi (in Finnish)

Watch the video!

Find out more about OmaEsperi on our YouTube channel (in Finnish)



The Night of the Homeless reminds of the importance of having a home

In 2023, Esperi Koti Hermanni in Kokkola was involved in organising the Night of the Homeless event for the second time. In addition to Esperi Koti Hermanni, the organisers of the event included Kokkola Finnish Parish, the adult social work unit of the wellbeing services county of Central Ostrobothnia, and the Finnish Red Cross.

There is invisible homelessness in Kokkola. This refers to marginalised people who do not have an address and often do not have identity documents. They do not show up in the statistics and receive no support. They remain invisible until someone refers them to the appropriate services. For Esperi Koti Hermanni, the aim of the events and donation campaigns is to help the homeless find assistance.

"We work closely together with various parties that help the homeless in this region. It is our shared goal to help marginalised people get a new grasp on life," says Unit Manager Pauliina Hansen from Esperi Koti Hermanni.

According to Hansen, the participants of the event included people who have experienced homelessness and found help. They now have their life in order, and they want to help others. Many others also want to help.

"This year, we received a lot of donations from private individuals. We collect clothing, pillows, blankets, and hygiene products – all kinds of items that a person needs when they have nothing," Hansen explains.

At Esperi, our mission is to provide safe homes and high-quality housing services and to help our residents live happy lives. The Night of the Homeless reminds us all about the importance of having a safe haven.



An equal opportunity to exercise influence

In the run-up to the presidential election, Esperi Koti Kastanja wanted to determine how the care employees can best support residents with intellectual disabilities in voting.

"For the right of self-determination to be realised, our employee must be aware of the resident's rights. It is the employee's duty to respect and promote the resident's right to self-determination in their actions," says **Miina Nikkilä**, who works as a counsellor at Esperi Koti Kastanja.

At Esperi Koti Kastanja, the focus was on determining what information and support employees need in the run-up to the elections, and how to ensure the realisation of the universal and equal right to vote. The decision was made to hold separate information sessions for the counsellors and the residents.

"The subject matter was already familiar to us from the previous summer. It seemed like our residents had been thinking about these issues, and they were very interested in the upcoming elections. They had a lot of questions. For example, they wanted to know what NATO is and what it means," Nikkilä explains.

Information increased voting enthusiasm

In spring 2023, as part of her studies for a bachelor's degree in social services, Miina Nikkilä looked for ways to increase the low voting turnout at Esperi Koti Kastanja. Together with her team, she distributed information to the residents on what the elections are about and the meaning of a universal and equal right to vote. The voting turnout of the residents of Esperi Koti Kastanja increased sharply in the parliamentary elections of spring 2023. The increased enthusiasm for voting was also evident during the presidential elections.

Easy-to-understand content on the presidential candidates aimed at people with intellectual disabilities was not available in plain language. That is why the first step was to put together a summary of the candidates.

"The plain language news site of the Finnish Broadcasting Company had a concise outline of each candidate's key goals, and we created a presentation based on that content. We had to keep our presentation of the nine candidates and their goals sufficiently concise so that the information session would not be too long and all of the residents could maintain their concentration on the subject matter," Nikkilä says.

The information session for the counsellors was focused on how the employees can best support the residents with intellectual disabilities with voting. The event underscored the resident's right to self-determination: each resident must be given the opportunity to decide what additional information they wish to receive, and the employees' role is to help them obtain that information.

"We emphasised the importance of being careful with your words. Otherwise, you may accidentally influence the resident's opinion. For example, we told the employees that it would be better not to divulge their personal views or their own choice of candidate," says Maarit Mäkinen, who worked on the thesis with Miina.

The universal and equal right to vote as part of responsibility

When the institutional voting was organised at Esperi Koti Kastanja, all residents who had participated in the information session and had the ability to vote also wanted to exercise that right.

"We have received very positive feedback from the residents and the employees. We hope that our example will encourage employees at all housing units to share information and discuss topics of societal significance with the residents," Mäkinen says.

"We have to ensure the realisation of the universal and equal right to vote. That is us acting responsibly," Nikkilä adds.

The project implemented by Miina Nikkilä and Maarit Mäkinen is their thesis and part of their bachelor's degree in social services at Tampere University of Applied Sciences. The universal and equal right to vote in elections applies to all citizens who reside in Finland permanently and are aged 18 or older. There has been little research on how many people with intellectual disabilities ultimately exercise their right to vote.



Esperi's photo exhibition highlighted the importance of care work

The photo exhibition "It is a pleasure to meet you" was displayed in Helsinki, Oulu, Turku, Tampere, Pori, Jyväskylä, and Joensuu in 2023. The exhibition toured shopping centres and educational institutions and brought together representatives of the government and the opposition to discuss an important topic of common interest.

Our exhibition "It is a pleasure to meet you" toured Finland in 2023, giving visibility to care work and highlighting the meaningfulness of the work through the stories of care providers. The captivating photos were paired with beautiful stories of the people who work in nursing and care, talking about what the work is like and how the professionals feel about it.

We organised stakeholder events in connection with the exhibition in Helsinki and Oulu, among other places. The attendees included Minister of Social Affairs and Health Hanna Sarkkinen, members of Parliament, members of the Parliament's Social Affairs and Health Committee, and the chief executive of the Finnish Association of Private Care Providers Arja Laitinen. The events sparked off a lot of constructive discussion, and the participants had a clear mutual understanding of the role of cooperation in solving the future challenges of the care industry and the social services and healthcare sector as a whole.

"The exhibition also enabled us to give a face to our nurses and other caregivers outside our housing facilities. We wanted everyone to be touched by the attitude and moving stories featured in the exhibition, and that has been the case," says Esperi's Communications Manager **Kaisu Lehtomaa-Digha**.

"The exhibition and our visits to the various stops on the tour were very well-received. At many of the educational institutions we visited, we made contacts that subsequently led to job interviews. This means that the exhibition served not only as a way to convey an image of our industry to audiences but also as a bridge to becoming an Esperi employee," Lehtomaa-Digha adds.

The photo exhibition featuring Esperi's nurses and caregivers toured around Finland and will be published on Esperi's Instagram and Facebook accounts in the early spring of 2024.

Good life
Targets:

Indicator	Target for 2023	Outcome in 2023	Target for 2024
NPS	42	41	46
Customer satisfation (1–5)	4.4	4.4	>4.4

Good work

We want to sustainably build even better daily life at work and strengthen team and community spirit. Each day, our good work brings us closer to our strategic objective of having the happiest residents in Finland.



Good work requires data – and support

Work at Esperi is getting better year by year. In 2023, we were pleased to see reduced sickness-related absences, a higher employee Net Promoter Score, and decreased employee turnover. ***Pia Pallasto****,* ***Jonna Ratilainen*** *and* ***Ella Aho-Mantila*** *believe that long-term development efforts pay off.*

In 2023, our employee turnover declined, recruitment became easier, and the occupational accident frequency and sickness-related absences decreased. We achieved an impressive improvement in our employee Net Promoter Score (eNPS). We also measured our internal reputation for the first time, and the result was good, as expected.

"When you listen to people, it is clear that Esperi is a very different company to what it used to be. I believe that our improved reputation is something that people feel quite strongly on a personal level. This is also reflected in our performance indicators, not only in the eNPS but also our overall development as measured by various indicators," says Human Resources Director **Pia Pallasto**.



Satisfaction through support, tools, and incentives

Occupational Wellbeing Manager Jonna Ratilainen and HRD Manager Ella Aho-Mantila are also pleased about the positive development of the employee indicators. They share the view that Esperi has been focusing on the right priorities in supporting work and occupational wellbeing, training and recruitment, and that these measures should be continued.

"The results have not been accomplished by quick fixes. They have been achieved by taking a long-term approach. For example, regular measurements and surveys are part of the foundation on which we build the development of work," Ratilainen notes.

We have made the performance indicators and targets a visible part of our day-to-day operations, and we examine them openly in cooperation with each business. We monitor the operations of our housing facilities and the situation of units that are within the scope of enhanced support with a long-term approach using a traffic lights model. Through cooperation between the business and the support functions, we ensure that the need for support in the housing facilities is reduced and that their development is sustainable.

Last year, we supported our housing facilities by putting together toolkits to facilitate the work of supervisors and the HR Business Partners who support them, for example. The toolkits covered three areas: reducing employee turnover, reducing sickness-related absences, and supporting supervisory work.

> We don't know about another care services provider with a higher eNPS score.

"The tools have been there, but it is easier to start using them when they are put together and brought forward. Focusing on supporting supervisors is important, as their work has an impact on everyone's satisfaction and comfort," Ratilainen notes.

In 2023, we carried out a broad assessment of risks and occupational wellbeing in supervisory work. In 2024, we will take active measures in this area.

A year of knowledge-based management

We focused heavily on knowledge-based management in 2023. One of the major themes of the year was the assessment of stress factors and occupational wellbeing in supervisory work. We conducted risk assessments on this subject, as well as a workplace survey.

"We now have an understanding of the stress factors of supervisors and their ideas on how their work and wellbeing could be developed," Jonna Ratilainen says.

The recruitment process was also measured in more detail, and a set of "the best workplace" indicators were created to develop work and operations and support management. HRD Manager Ella Aho-Mantila is pleased that more data is available and reporting is being developed.

"It is important that we do more with data than just collect it. Esperi genuinely uses the data to take action in response to the identified needs and wishes. We use the data to develop our operations and training activities and provide support in day-to-day work. One example of this was the ergonomics project we carried out in 2023."

Esperians

In 2023, Esperi had 7,107 employees on average. At the end of the year, the number of employees was 6,810. The employees-related disclosures in the social responsibility section of this sustainability report are based on the latter figure. Of the employees, 58% had permanent employment contracts and 14% fixed-term contracts. In addition, 28% of employees worked variable hours. We estimate that we had approximately 45 persons working at Esperi through our partners and as temporary agency workers. The exit turnover of our permanent employees was 28.9% last year, which is typical of the care industry. Esperi had no employees with disabilities in 2023.

All our employees are within the scope of social security, occupational healthcare, occupational health and safety, voluntary collective agreements, and the shop steward system. We do not process information on trade union membership. All our employees are entitled to family leave in accordance with the applicable legislation and collective agreements.

Diversity

Some 88% of our employees were women, and the average age of the employees was 39 years. Our management group consists of three women (36%) and seven men (64%).

Gender distribution

Gender distribution	
Men	11.7%
Women	88.3%

Performers of the Year award winners in 2023
Who was the most valued manager of the year? Which housing facilities were rated the best, safest, and happiest? Which facility had the best colleagues?
Find out who took home the awards at our Supervisor Days event (in Finnish)

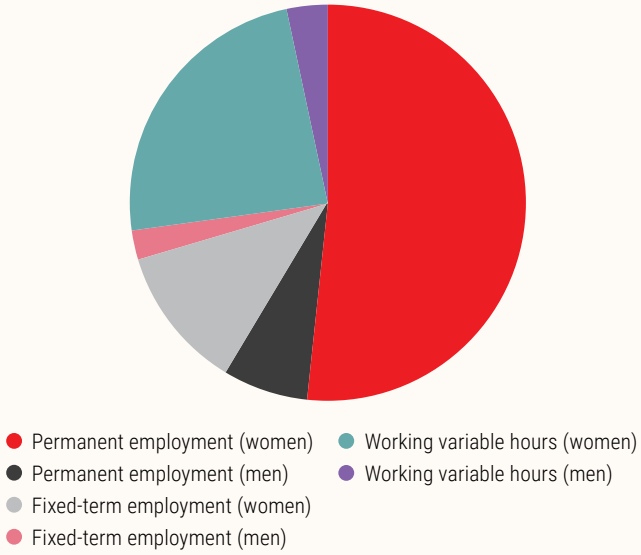
Pay equality

Esperi pays all employees wages that are aligned with the applicable reference values stipulated by EU Directive 2022/2041 at a minimum. The difference between the average pay of our female and male employees was 0.2%. The annual total remuneration ratio was 11.9. This is the ratio of the highest paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual).

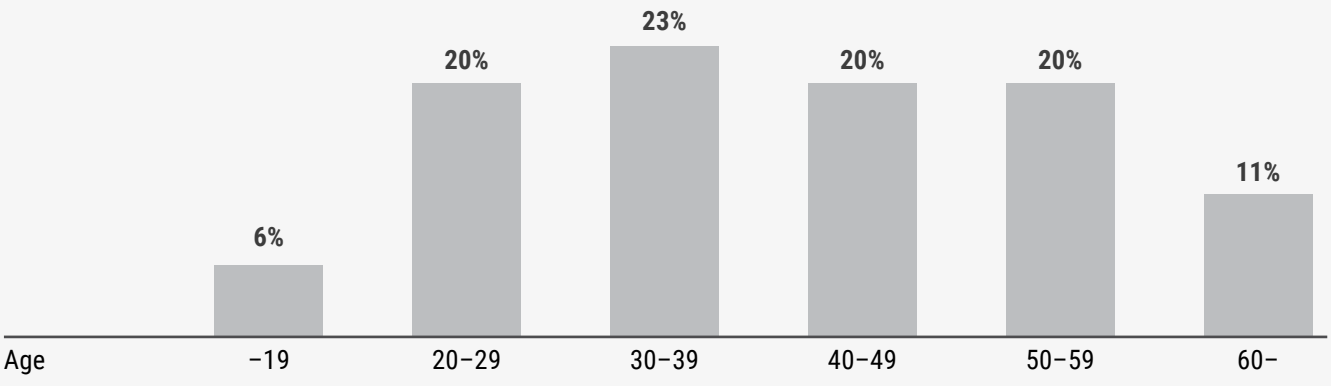
Performance appraisals and competence development

Among our permanent employees, 39% of women had had a performance appraisal with their supervisor during the preceding year. The corresponding figure for men was 43%. Our reported average hours of training per employee came to 6.74 hours during the year under review. We are developing our reporting of training to obtain more accurate data in the future. Information on the gender distribution of training participation will be added to our system in 2026.

Employment relationships



Gender distribution in 2023 (%)



Training and learning in day-to-day work

Learning by doing is often effective. This is also true for day-to-day work in the care industry, and although care providers are already highly competent professionals, development projects and training activities also play an important role.

"In 2023, we added clarity to our training activities and separated mandatory training from other training. This ensures that everyone has a strong grasp of our safety guidelines in particular," says HRD Manager **Ella Aho-Mantila**, who is in charge of training and recruitment.

In 2023, we implemented 74% of the training topics outlined in our training plan. Our training activities focused mostly on the validation method, occupational safety, emergency first aid, shift planning, and data protection. Training on the validation method was organised at 34 housing facilities, bringing the total number of participating units to over 100 at the end of the year.

As new training topics, we offered competition law training and workplace mediation training for our occupational health and safety delegates. We also revised our training on threats and dangerous situations and divided it into three training modules representing different levels. This ensured appropriate training content to suit the different needs of all our facilities.

We increased the training content offered on our ESKO online training platform by adding emergency first aid training and RAI assessment training, for example. We complemented the orientation training materials on the platform by introducing topics related to whistleblowing and guidelines for workplace behaviour, which are based on the thoughts and ideas of our employees. We launched the procedures for managerial tasks in summer 2022 and, in early 2023, we complemented them with guidelines for a successful employee.

"Both sets of procedures were incorporated into our orientation training materials and performance appraisal practices in 2023. In late 2023, we revised our workplace contract on the basis of the procedures for a successful employee and our values, and we now refer to it as the workplace promise. We hope that this will further strengthen our Esperian workplace culture, which helps unite our employees," Aho-Mantila explains.

We held a successful Supervisor Day event in September. The event received good feedback and was an important part of our support for supervisors during the year under review. At the event, the participants discussed questions such as how to manage Generation Z employees. The supervisors discussed the topic in workshops.

"People expect that management should increase the use of a more coaching-oriented and discussion-driven approach, although all generations of people include individuals who appreciate different kinds of management styles. The shared observation made in the workshops was that the diversity of working life will continue to present challenges to us in the future," concludes Human Resources Director **Pia Pallasto**.



Guidelines for a successful employee

I want to thrive
I am committed to my duties, and I ask for help when necessary. I want to be successful in my role, and I also want to get feedback to support my professional development. I have the courage to express my development wishes and competence needs. I look after my own wellbeing.

I am the best colleague
I contribute to a good atmosphere, and I support my colleagues and supervisors to help them succeed. I communicate in a way that is respectful of other people's opinions and diversity. I behave responsibly and address problems and shortcomings in a constructive manner. I have trust in my colleagues' expertise, and I express my gratitude to them.

I enable a good daily life
I work to enable a happy life for our residents and the achievement of our jointly set goals. I set a good example and act in accordance with our values. I celebrate successes.

Putting the lessons learned in day-to-day operations into action: "The ELLI project makes us stronger and better care providers" (in Finnish)

"The best workplace" indicators help monitor workplace culture

Our strategic objectives include having the best colleagues and the most valued managers. In 2023, we established sets of clear real-time performance indicators for monitoring workplace culture and wellbeing in our workplace communities.

The outcome was "the best workplace" indicators, comprising four areas: a highly functional workplace, a workplace with wellbeing, a competent workplace, and an attractive workplace. Key indicators were selected for each area to facilitate assessments and comparisons of workplace culture and effectiveness.

"Having an overview of the situation at our workplaces makes the work of supervisors and HR Business Partners easier. It also facilitates the monitoring of the need for support and enables top-level knowledge-based management by the Board of Directors or the Quality and Sustainability Committee, for example," says CEO Stefan Wentjärvi.

Toolkits make supervisors' work more organised

In 2023, we launched a development project aimed at facilitating supervisory work by putting together toolkits. These include measures that supervisors can use to reduce employee turnover and sickness-related absences – both preventively when faced with challenges and in the long term.

A total of three toolkits were created. The support toolkit for supervisors includes tools for supporting employee performance and resolving challenges in the workplace community, for example. The employee turnover toolkit focuses on supporting recruitment, orientation training, day-to-day operations at the unit, and operating practices. The sickness-related absence toolkit consists of tools that facilitate early intervention, supporting work ability, and the active use of alternative duties.

In addition to the toolkits, we also introduced an extra week of leave in 2023 for unit managers and supervisors who performed particularly well in reducing employee turnover and sickness-related absences, for example.

When values and cultural evolution are more than jargon – people thrive at award-winning care home Esperi Pappilankoti (in Finnish).

Safety first: practices for day-to-day work, preparing for emergencies

One thing that stays the same from one year to the next is that safety is our first priority and an important strategic indicator.

According to Occupational Wellbeing Manager Jonna Ratilainen, whose duties include occupational health and safety, safety at Esperi is not the responsibility of a single individual but rather all employees of the company. In day-to-day operations, safety is visible in the form of good orientation training, assessments of the hazards and risks of the job, safety training, safety observations, and actively processing any deviations in cooperation with the occupational safety and health function, units, and other support functions.

A total of 2,468 occupational safety and health deviations were recorded at our housing facilities in 2023. In the past few years, an emerging trend in the deviations has been incidents of violent or threatening behaviour by a resident towards a care provider.

To respond more effectively to the different needs of our housing facilities, we diversified our range of training activities related to threatening and dangerous situations. We now provide basic, medium, and advanced training. Enhancing the employees' validation skills has also played an important role in the prevention of violent incidents. We assess the need for training and the appropriate level of training together with the units, area managers, and the occupational safety and health function.

"It is our responsibility to provide everyone with a safe workplace environment. The training activities enable us to focus on the prevention of dangerous situations above all else, but they also enhance our capabilities to respond to actual incidents of violence," says Ella Aho-Mantila, the HRD Manager responsible for the training.

In 2023, employee perceptions of safety were assessed by incorporating the Net Safety Score (NSS) indicator into the employee survey for the first time. The result was 3.89 (on a scale of 1–5). The accident frequency decreased and was 34. We also achieved positive development in days of disability and costs associated with occupational accidents. We encouraged our units to promote safety in day-to-day work, for example, in to the unit-specific prevention of violent incidents and working alone.

Maintaining and improving safety is a wide-ranging effort that is carried out by all our employees on a daily basis. Caregiving work always involves certain risks, such as needlestick accidents or violent incidents. While these cannot be fully eliminated, we can reduce these risks through adherence to good practices.

"We hope that our safety training activities will support the implementation of good practices in day-to-day work even more widely than before. Enhancing our employees' competence and safety awareness helps to create safe working environments for our employees and safe homes for our residents," Ratilainen notes.

	2021	2022	2023
Number of occupational accidents	443	543	488
Number of occupational accidents subject to compensation	68	102	94
Number of commuting accidents subject to compensation	23	10	14
Serious accidents, including commuting *	19	80	6
Compensated occupational illnesses, incl. COVID	41	35	34
Accident frequency	47	41	34

* Accidents leading to an absence of 30 days or more are categorised as serious occupational accidents. No fatal accidents occurred during the reporting period.

Supporting work ability is not only the responsibility of our occupational health and safety organization, but also our HR Business Partners, occupational health services, as well as our work, pension, and accident insurance company.



"It is our responsibility to provide everyone with a safe workplace environment."

– Jonna Ratilainen, Occupational Wellbeing

We support the body and the mind

Our goal is to maintain good work ability among our employees, support their ability to cope with the demands of their job, and enable long careers.

"We have managed to extend the average retirement age at Esperi. We have also very successful with decisions on partial disability pension, for example. In line with our values, our supervisors have shown the courage to reform work so that people can continue to work in spite of potential problems with work ability," says Occupational Wellbeing Manager Jonna Ratilainen.

We have modified job descriptions to enable less intensive duties and better suit the work ability of a given employee. Such arrangements can be a temporary alternative to a short-term sickness-related absence or a more permanent change for a person approaching retirement, for example.

"I am proud of our supervisors' attitude. Instead of focusing on what is not possible, they have focused on what is possible for a given employee. I see this as modern work ability management and the actions of a responsible employer," Ratilainen adds.

We aim to prevent the musculoskeletal disorders that are typical of this industry by continuing our ergonomics project. We also focus on preventing and reducing absences related to mental health by training our supervisors, amongst other things.

At Esperi, employees can call in sick without having to present a medical certificate. This reduces the burden on the sick employee while preventing the unnecessary use of healthcare resources.

Sickness-related absences and the occupational wellbeing index are our key performance indicators for monitoring occupational wellbeing.

Occupational wellbeing: highlighting risks and working on solutions

The development of occupational wellbeing is a long-term collaborative effort in which each assessment and report helps us take better care of our employees.

In 2023, our own risk assessment and the occupational healthcare provider's workplace survey provided us with a comprehensive understanding of the factors that burden supervisors or support their wellbeing.

The key stress factors identified in the assessments were work-related interruptions and concurrent work tasks. In 2024, we will continue to implement measures aimed at the stress factors in our business areas and throughout the Esperi organisation.

A warm welcome to 1,162 new Esperians

Our goal is that care professionals want to work at Esperi. While there is still more work to be done to hire new professionals, HRD Manager Ella Aho-Mantila believes that the recruitment challenges have eased to some extent.

"We are seeing larger numbers of applications. Last year, we started a total of 2,106 recruitment processes and received over 11,700 applications in the Group as a whole."

We have used social media to work on our employer image: support to recruitment is now more systematic in tactical recruitment advertising and campaigning. Aho-Mantila is also pleased that more care providers are now volunteering to talk about their work on social media than before.

Knowledge-based management has also supported the development of our recruitment activities. We have set clear targets that are measured in detail. We collect data and develop our recruitment based on the feedback received from applicants. We also learn lessons from those who do not end up working at Esperi.

"We also measure sources of satisfaction and dissatisfaction at various stages of the employment relationship. We are already quite familiar with them, and we are continuously developing our operations based on them," Aho-Mantila explains.

We hired 1,162 employees on permanent employment contracts. In 2022, the corresponding figure was approximately 1,700. Recruitment was the highest in elderly care services. We also welcomed over 300 new employees to Esperi through corporate acquisitions.

We offered summer jobs and temporary positions during the summer season to approximately 670 people. We received a lot of positive feedback and gained useful experience from our "Working at Esperi after retirement" campaign, in which we offered employment opportunities to retired care professionals.

Led by Human Resources Specialist Varpu Ahtonen, who is responsible for international recruitment, we hired 185 new care providers from outside Finland. We provided them with new support materials and peer group meetings, and we increased our workplace communities' guidance and preparedness to work with people coming to Finland from different cultural backgrounds.

In international recruitment, we have an obligation to ensure that human rights are observed in all stages of recruitment.

We require our international recruiting partner to comply with the applicable legislation and operate in accordance with recommendations. This was a significant factor in the selection of our recruitment partner. We require our partner to have a robust audit process. For example, they need to monitor that the employee is not charged any illegal fees at any stage of the recruitment process.

We also comply with the legislation governing international recruitment in the countries of origin. For example, the employment contracts for employees recruited from the Philippines are drawn up not only in compliance with Finnish laws and collective agreements but also in compliance with the local legislation in the Philippines. This is an issue that the authorities in the Philippines are very particular about. We are committed to full compliance with the international and national laws and regulations governing international recruitment.

We believe that making sustainability an integral part of day-to-day operations, taking action, and communicating those actions have an impact on recruitment and employee satisfaction. Employee turnover has decreased to 28.9% (2022: 36.5%).

"I believe that sustainability also radiates outwards. We will continue to work to ensure that people want to come to work for us and know that they will be joining a good team," Aho-Mantila adds.



We also comply with the legislation governing international recruitment in the countries of origin. For example, the employment contracts for employees recruited from the Philippines are drawn up not only in compliance with Finnish laws and collective agreements but also in compliance with the local legislation in the Philippines. This is an issue that the authorities in the Philippines are very particular about. We are committed to full compliance with the international and national laws and regulations governing international recruitment.

We believe that making sustainability an integral part of day-to-day operations, taking action, and communicating those actions have an impact on recruitment and employee satisfaction. Employee turnover has decreased to 28.9% (2022: 36.5%).

"I believe that sustainability also radiates outwards. We will continue to work to ensure that people want to come to work for us and know that they will be joining a good team," Aho-Mantila adds.

Over 500 applicants and positive feedback – read more about the "Working at Esperi after retirement" campaign (in Finnish).



Proud to work at Esperi – positive development in employee indicators

As in other areas of our operations, we monitor the realisation of our strategic goal of "good work" by several indicators. For example, in connection with our employee survey, we ask our employees how likely they would be to recommend us as an employer. This is used to calculate the employee Net Promoter Score (eNPS), which came to 34 in the survey conducted in 2023. This is among the highest eNPS scores in the care industry, and it indicates a very high willingness to recommend Esperi as an employer. The result also exceeded the target we had set for 2023 (>31).

The response rate of our employee survey was 61%, representing an increase of 38% from the previous year. In 2023, we also conducted our first measurement of our internal reputation, which refers to our employees' perception of Esperi's reputation.

Our accident frequency decreased from 35 to 34 in 2023. Our job satisfaction, supervisory index, and occupational well-being index remained at a good level.

Recognising the Performer of the Month with a celebratory coffee

At Esperi, we give out Performer of the Month awards to housing facilities or teams that have received excellent feedback from customers, residents, or the loved ones of residents, achieved success in competitive tendering, taken significant steps in the development of its operations in accordance with our strategy, or otherwise performed exceptionally well.

In 2023, one of the winners of the award was Esperi Koti Elina in Juankoski. It received the award in June in recognition of the good work of the facility as a whole. "Esperi Koti Elina's strength lies in its sense of community. The residents and employees engage in activities together every day, and they have fun. It is no wonder that there were more candidates for summer jobs than we were able to hire," says Area Manager Kirsi Hynninen.

A full list of the Performer of the Month award winners for the year under review is provided on the next page

A sustainable care provider bears responsibility for the reputation of the entire industry.

Read the comments of Sales and Marketing Director Jani Nurisalo on page 37.

Interested in reading more about our eNPS results? Find out which statements received the highest scores (in Finnish)

Performer of the Month award winners in 2023



February

Esperi's communication and marketing team: "It is a pleasure to meet you" exhibition

Esperi's communication and marketing team came up with the idea for a photo exhibition entitled "It is a pleasure to meet you" and implemented it. The exhibition featured black-and-white photos of nurses and caregivers paired with moving personal stories of care work. The opening of the exhibition took place at Helsinki's Central Railway Station, where approximately 200,000 people saw the exhibition every day for one week. The exhibition then went on tour with stops in Oulu, Pori, Tampere, Turku, Jyväskylä, and Joensuu. The care providers were photographed and interviewed by photographer Kaisa Löyskä, and the interviews were rewritten as stories by Communications Manager Kaisu Lehtomaa-Digha.

April

Esperi Palvelukeskus Haanoja: revising medication processes

Esperi Palvelukeskus Haanoja addressed deviations observed in internal audits. Haanoja took action by forming a working group that went on to develop medication processes and make changes to improve overall safety in the administration of medication. Among other things, the working group came up with effective solutions for improving safety in the administration of medication and an innovative operating model for refresher training.

June

Esperi Koti Elina: a strong sense of community and good work

The residents and employees of Esperi Koti Elina engage in activities together every day, and they have fun. Esperi Koti Elina received the award in recognition of its strong sense of community and warm spirit, which is apparent as soon as you walk in the door. The reasoning for the award noted that genuine caring and the desire to work towards the wellbeing and good daily life of the residents can be seen and felt in Esperi Koti Elina. The team was also characterised as highly competent and motivated.

August

Esperi Hoivakoti Kolmisointu: development efforts related to the designated care provider system

The employees of Esperi Hoivakoti Kolmisointu achieved strong progress in the use of the designated care provider system and the related statutory assessments of functional capacity and service implementation plans. The positive attitude of the staff, supervisors and Unit Manager was exemplary. The development work was carried out on schedule and the designated care provider system was developed with an open mind, which expressed our core value "We have the courage to reform".

October

Elderly care services and supervisors in the northern region: pulling in the same direction and teamwork

The challenging years of the COVID-19 pandemic created additional challenges in recruitment. The Unit Supervisors and Unit Managers in elderly care services in Northern Finland made an exemplary effort during the year under review to collectively find solutions to the challenges associated with the availability of employees. The cooperation between the supervisors in the region has been admirable. They have demonstrated an excellent team spirit, supported each other in all circumstances, and ensured that no-one is left to face their challenges alone.

December

Esperi Hoivakoti Kellokas: the happiest residents in Finland

Esperi Hoivakoti Kellokas in Sodankylä embodies Esperi's vision: "the happiest residents in Finland". One of the key factors in realising that vision is having a high rate of satisfaction in the workplace. At Esperi Hoivakoti Kellokas, having the best colleagues means having a strong team spirit, knowing and supporting each other, and working together. The team spirit is built through mutual appreciation and respect.



Hoping for extended stays in Finland

In 2023, we recruited 185 new employees from outside Finland with the help of our partner. Our goal is to have them work at Esperi for a long time, which is why we focused on developing our relocation process, orientation training, and communication.

At Esperi, we have been recruiting care providers internationally for a few years now. In 2022, we created an entirely new position for a specialist in international employees. This role was taken on by **Varpu Ahtonen**, M.Soc.Sc., who had previously worked in several positions related to immigration.

"The Finnish population is ageing, and nurses and caregivers are retiring, which makes international recruitment increasingly important. We need to make it as easy as possible for care providers to relocate to Finland, but that is not enough in itself. We also need them to be comfortable here and to stay in Finland for an extended period of time – permanently, if possible," Ahtonen explains.

From orientation to apprenticeship

Last year, we welcomed 191 new employees who were recruited internationally. At the end of 2023, Esperi had approximately 470 international employees, most of them from the Philippines. In addition to international recruitment, we also hire many foreign workers who already reside in Finland.

Our international recruitment activities are carried out by our partner Silk Road. When a candidate has been selected, they enter a seven-month process of orientation training and language instruction. This ensures that every care provider is equipped with the basic information and skills when they enter the country.

Most of the international recruits have a nursing degree from their country of origin. When they arrive in Finland, they start apprenticeship training for a practical nursing degree at a vocational school. During their studies in practical nursing, they learn about working in social services and healthcare in Finland, the Finnish legislation as it pertains to medication, for example, as well as Finnish vocabulary and language relevant to the industry. The plan is that the development of language skills will continue to be supported in various ways. When a care provider's language skills have developed to a sufficient extent and they are able to perform the work duties of a practical nurse, they can pursue additional studies to become a registered nurse.

Clear processes and responsibilities

The Human Resources Specialist in charge of international employees is responsible for the implementation and optimisation of the relocation process. This includes communication, preparing instructions and guidelines for supervisors and employees, advising the employees on applying for a residence permit, filling out the employer's sections of the applications, and maintaining contact with partners, including the permit authorities and training providers.

"The procedures and contracts must comply with Finnish laws and the legislation of the country of origin, as well as international recommendations concerning wages and working hours, for example. We have worked hard to this end. In order for us to develop cooperation and improve support for international employees, everyone must be aware of the processes and responsibilities," Ahtonen notes.

Ahtonen points out that the actual integration process takes place in the municipalities where the international employees work, and in their workplaces. That is why supporting the units and developing the competence of supervisors is especially important.

"In 2023, we improved our training and guidance to supervisors in immigration-related matters and working with international employees. Supervisors can always contact the HR function if they have any questions or experience any challenges. Care providers also receive practical support in their own language from Silk Road, particularly in matters related to living in Finland."

To support the care providers who relocate to Finland, we are also focusing increasingly on producing English-language materials. Our orientation guide is already available in English, and we have started to produce videos that explain, for example, the accrual of holidays. We will continue and expand these efforts in 2024.

To improve peer support, we started Esperi International Peer Group meetings. The meetings have been organised approximate-

ly once every two months. The meetings take place online, and the emphasis has initially been on providing information. The focus will gradually shift to discussion and the sharing of experiences and opinions.



Aiming for long-term employment relationships

In accordance with the legislation of the Philippines, we sign a three-year fixed-term contract with the care providers recruited there. The contract also states that, after the initial three-year period, the employment relationship will continue on a permanent basis. Our aim is that the care providers will work at Esperi for a very long time.

We are pleased to have had very few resignations so far, and the care providers who have joined the company are highly motivated to continue to work at Esperi. Of course, additional measures to enhance the commitment and retention of internationally recruited employees are necessary, which is why we have assessed their needs by means of a survey. The plan is to revise and expand the survey in 2024.

"Our hope is that our international employees will be satisfied with their jobs and enjoy living in the municipalities in which Esperi's care facilities are located. Adaptability and a positive attitude are key. We have been pleased to see that many of the internationally recruited care providers enjoy their new town and have become part of the local community," Ahtonen concludes.

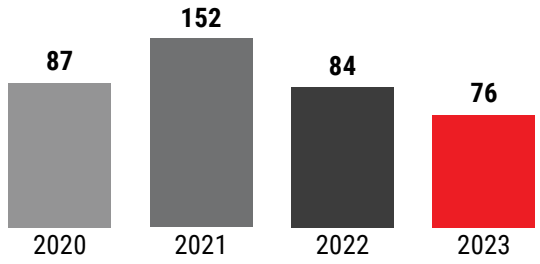
Read more:
From Ethiopia to Espoo: Getnet's journey to becoming an Esperian (in Finnish)

Whistleblowing helps us evaluate our operations

We provide our employees with various channels to facilitate the reporting and resolution of problems. One such channel is the whistleblowing channel that is available on Esperi's website and intended for employees, customers, and other stakeholders. The whistleblowing channel can also be used to report issues anonymously.

The whistleblowing channel is operated by an external service provider, and it meets the requirements stipulated by the EU's Whistleblowing Directive. All whistleblower reports are handled with absolute confidentiality.

The channel is an important tool for obtaining information on perceived problems. We process and investigate all whistleblower reports appropriately.



In 2023, we received 76 reports via the whistleblowing channel. The average response time was 3.5 days.

Good work
Targets:

Indicator	Target for 2023	Outcome in 2023	Target for 2024
eNPS	>31	34	>39
Job satisfaction	>4.2	4.03	>4.3
Sickness-related absences (short)	<5.6%	6.7%	<5%
Occupational accident frequency	<31	34	<31

Good economy

Good economy is an important aspect of our security, and it constitutes the foundation for all our operations: good work, good care, and good life. That is why we pursue controlled growth and ensure that our housing facilities can operate sustainably for years to come.



Stability through sustainable action: our response to rising costs

Esperi Group's turnover came from care services, housing services and health services. All our turnover is generated in Finland.



The general price level continued to rise sharply in 2023, especially in the early part of the year. In our operations, this meant higher financial expenses, food costs and property maintenance costs, for example. Inflation slowed significantly towards the end of the year. However, in the social services sector, the rise in costs is expected to remain faster than the overall rate of inflation. This is due to the wage increases stipulated by the collective agreement signed in Finland in summer 2023 for the private social services sector. Their combined cost effect during the period 2023–2025 is nearly 15%.

During the financial year 2023, we continued to implement profitability improvement measures in Esperi Group in accordance with our strategy. The cost level rose because of continued high sickness-related absences, the rising general price level, the increased staffing ratio in nursing, and the wage-related outcomes of the collective bargaining process in the sector. We sought to pass the increased costs on to our contract prices to secure continued quality care. We renegotiated purchase agreements and focused our purchases on a smaller group of partners. We also completed the restructuring of unprofitable units in 2023.

The demand for Esperi Group's services remained strong in 2023. Consolidated turnover amounted to EUR 398.4 (331.3) million, representing year-on-year growth of EUR 67.1 million. The increase in consolidated turnover was attributable to improved occupancy rates, higher capacity, and increased customer prices.

The Group's operating margin, adjusted for the effects of IFRS 16, amounted to EUR 28.6 (-6.1) million.

Key Performance Indicators

1,000€	Group IFRS 2023	Group IFRS 2022	Group FAS 2021	Parent Company 2023	Parent Company 2022	Parent Company 2021
Revenue	398,352	331,317	302,670	110	21	0
Operating profit/loss	37,636	2,452	-34,506	-729	-5,060	-184
-% of revenue	9.4%	0.7%	-11.4%	-664.1%	-23781.0%	n/a
Operative EBITA	28,568	-6,143	n/a	n/a	n/a	n/a
-% of revenue	7.2%	-1.9%	n/a	n/a	n/a	n/a
Equity ratio	1.5%	-0.4%	-69.2%	99.5%	95.4%	46.2%
Return on equity	277%	negat.	negat.	negat.	negat.	negat.
Average number of employees	7,107	6,796	6,436	1	0	0
Wages and salaries	-188,960	-168,947	-154,575	-303	-184	-154

Operating profit = Profit/loss before tax, adjusted for the impact of IFRS 16 on lease adjustments, depreciation of right-of-use assets, and impairments.

Tax footprint

Tax footprint 2023	1,000€
Taxes	
Income taxes	-29
Paid value added taxes *	294
Unrecoverable value added taxes **	13,941
Property taxes	1,576
Transfer taxes	257
Total	**16,038**

Tax footprint 2023	1,000€
Taxation on wages and social benefits	
Withholding taxes	30,861
Other Payroll-related payments	
Employer's contributions to pension funds	32,779
Employer's contributions to unemployment insurance	2,535
Accident and group life insurance premium	1,060
Health insurance premium	2,734
Total	**39,108**
Grand Total	**86,007**

***** Real paid value-added tax of the group, considering allowed deductions.

****** Value-added taxes that have not been deductible.

New housing facilities through an acquisition: “Successful integration requires listening to people and supporting them”

*Esperi seeks growth through the construction of new housing facilities and by making acquisitions. According to **Sebastian Knight**, Head of PMO and M&A, new facilities and expansion are not an end in themselves. Growth is achieved in a controlled and careful manner, listening to the seller and supporting new Esperians with the changes involved.*

Ongoing discussions increase understanding

In 2023, acquisitions brought Esperi 11 new housing facilities and capacity for 300 customers. These figures only show completed acquisitions.

According to Sebastian Knight, Head of PMO and M&A, Esperi is always having discussions behind the scenes with parties that are considering the sale of their business or assets.

“We take a measured approach and move at the seller’s speed. The communication and discussions can take several years before the time is right, and they are not binding in any way. On the contrary, they build a mutual understanding of the subject of the potential acquisition and what the transaction would mean for both parties,” Knight says.

The acquisitions made in 2023 were focused on housing facilities in elderly care services, but Esperi sees acquisition potential in all its operating segments. Most of the acquired facilities operate in properties that are in good condition, but sometimes there is a need to make significant investments in the premises or relocate the facility to an entirely new property.

“One of our strengths at Esperi is our robust real estate expertise and strong experience in construction contracting and renovation. This enables us to renovate properties even if they are in poor condition to provide our residents with homes that stand the test of time.”

Progressing with intent to contract stage

In acquisitions, our priorities include a responsible and diligent acquisition process and successful integration. We have focused heavily on developing these over the past few years.

“Our revised acquisition process includes even more specific criteria on the attributes of potential acquisition targets and how they affect the acquisition and integration stages. We carefully assess, among other things, customer contracts and properties, and prepare for fundamental improvements coming up in the integration phase, such as establishing new systems or building medicine rooms. On top of that, we are supporting a longer-term change in culture,” Knight explains.

The condition of the property, the finances of the housing facility and issues related to residents and employees are already discussed with the seller during the preliminary discussions. Before the actual contract stage, audits are conducted on these areas and a more in-depth assessment is conducted with partners.

“We carefully evaluate what are buying. Audits and inspections provide us with information on the areas in which support and changes will be required in the integration stage, as well as areas that already include good practices that should be maintained. We also aim to time our acquisitions so that they and the integration process do not place an excessive burden on our resources. We make acquisitions at a sustainable pace and take account of the special characteristics of each acquisition target.”

“Esperi’s culture is built together”

According to Knight, the most important part of each acquisition is the integration process, and Esperi has been particularly successful with its integration efforts in recent years. The key is to actively support the new units in the changes. For example, everyone at Esperi who provides coaching to the units completes change support training, covering change management and good practices for change communications.

“It is essential that we look after the residents of the facility and the employees transferred to us and support them in the change. We do not just show up and tell them that this is how things will be done from now on. We move forward through discussion and presence, getting to know the new people.”

According to Knight, resident and employee satisfaction have increased in the acquired facilities within the first few months. A proper assessment can be made when they have settled into the new situation.

“The housing facilities acquired by Esperi in 2022 have all performed significantly better than the industry average in terms of financial performance, customer satisfaction, and employee satisfaction. For example, Esperi Koti Onnela in North Karelia, Esperi Koti Myllykylä in Hamina and Esperi Koti Kotikoivu in Kainuu have exceeded our expectations by every measure.”

Knight points out that many of the key aspects of integration take time.

“For example, you cannot just implement a culture. You have to build it together over the long term. The Esperi spirit is built through presence, ensuring that everyone is seen and heard.”

Facility name	Location	Capacity
Esperi Hoivakoti Sylvi	Espoo	capacity of 40 for elderly residents
Esperi Hoivakoti Otso ja Emmi	Turku	capacity of 56 for elderly residents
Esperi Hoivakoti Emmin Kammari	Kaarina	capacity of 12 for elderly residents
Esperi Koti Karelia	Kokkola	capacity of 24 for persons with disabilities
Jyvässeudun Hoivapalvelut	Jyväskylä ja Muurame	five housing facilities, capacity of 171 for elderly residents
Esperi Hoivakoti Kumpu	Kaarina	capacity of 43 for elderly residents

Aiming for carbon neutrality: “We have made strong progress in environmental responsibility”

We took significant steps in environmental responsibility in 2023. We are committed to continuously developing our environmental efficiency and managing our impacts. Our new environmental programme was a key driver of success in 2023. The efforts were led by Real Estate and Environmental Director ***Tomi Rosqvist****.*



Safety and quality are the cornerstones of our facilities

In 2023, we again built new space for residents and Esperians. The housing facilities completed during the year have capacity for 157 customers.

“We pursue growth in a controlled manner so that we can guarantee quality and safety, which are the cornerstones of our operations,” says Real Estate and Environmental Director Tomi Rosqvist.

We maintain and promote safety on many levels. Our properties are designed to have a clear layout and be easy to get around. We ensure adequate monitoring and alarm equipment. We maintain our emergency preparedness and the continuity of operations by conducting regular exercises at our units for responding to unexpected incidents, such as power outages and evacuations.

Rosqvist had a busy year in 2023. In addition to focusing on the new properties, he worked hard on promoting environmental responsibility throughout the company.

Esperi has over 375,000 square metres of floor area. Maintaining the properties while monitoring and reducing their environmental impacts are important aspects of our sustainability.

“In terms of our real estate, 2023 was an interesting year. We made strong progress in environmental responsibility,” Rosqvist notes.

Environmental programme has accelerated climate efforts

We began planning our environmental programme in 2022. During the year under review, we worked on the plan at the practical level, and Esperi’s first environmental programme was com-

pleted in late 2023.

The programme includes the main themes, goals, and roadmap of our environmental responsibility. The main themes are energy-efficient buildings, resource-efficient procurement, and environmentally responsible waste management. Under the theme of energy-efficient buildings, we monitor variables such as electricity and heating consumption, and we promote our properties' energy efficiency and the procurement of zero-emission electricity. To promote resource-efficient procurement, we measure the environmental responsibility of our procurement of supplies and services, as well as logistics emissions and water consumption. In waste management, we monitor the amount of waste and the development of the recycling rate.

We have set short-term and long-term targets under each of the main themes. We also set unit-specific targets for our properties to align their electricity and water consumption, waste volume, and recycling rate with the environmental programme.

"Our responsibility also extends to new construction. We updated our design guidelines to ensure that the environment is better taken into consideration in the planning and design of new properties," Rosqvist says.

Training and communication are important aspects of change and the pursuit of the targets.

"In 2023, we improved our waste management guidelines and prepared recycling instructions for our units. We will also continue to organise training activities."

We communicate our environmental impacts to our employees, owners, and external stakeholders. Our environmental efforts also extend to our key subcontractors. We require that they have environmental programmes of their own.

"This sustainability report is an important part of the transparency of our environmental efforts," Rosqvist notes.

He points out that stricter requirements concerning environmental matters and disclosures will be introduced as new EU legislation is implemented, but Esperi is preparing for these obligations in a timely manner.

"We will continue to implement our environmental programme as planned. In 2024, we will carry out a double materiality assessment and develop our sustainability reporting to correspond to the requirements laid out in the EU's Corporate Sustainability Reporting Directive."

Towards a carbon-neutrality through goal-driven environmental efforts

We have a good starting point for our environmental efforts for two reasons: we have a specific goal and clear milestones that will take us there. We want to decrease our carbon dioxide emissions, reduce electricity and water consumption, and improve our recycling rate. Our goal is to be carbon-neutral in the future.

"Halving emissions is easier than achieving zero emissions. Nevertheless, we are continuously working towards that ambitious goal," Rosqvist says.

According to Rosqvist, the target for 2024 is to reduce emissions by 20%. Our emissions are influenced by three things in particular: electricity and heating, meal production, and commuting.

"We will first focus on the first two, as they are things that we have more influence over. In 2023, our total electricity consumption amounted to 26.8 GWh. Starting from 2024, our electricity purchases are fully carbon-neutral. In 2024, our aim is zero-carbon electricity consumption, but we will nonetheless seek to further reduce our electricity consumption as well. We are switching to carbon-neutral energy and district heating in the municipalities where it is possible. At present, approximately 69% of the district heating we use is derived from renewable energy sources."

We have already invested in solar power and will continue to do so. Our aim is to promote energy-efficient housing and solutions, and solar power and geothermal heating play a key role in this.

"In 2024, we will acquire solar panels for ten of our units as part of our commitment to the use of local renewable energy."

In food services, emissions are generated in production and transport. We already serve vegetarian meals at our facilities, but we will increase their share further. The plan is that, in 2025, vegetarian meals will make up 2–4 of the meals served during a given week. We also aim to reduce the emissions arising from food logistics and transport.

"We will centralise food preparation to simplify logistics. We will change the meal concept so that the food service partner does not need to drive to the units every day," Rosqvist explains.

The total water consumption of our properties amounted to approximately 348,000 m³. Our goal is to reduce water consumption by 2% per year.

As regards transport, we only have control over some of the emissions. Our opportunities to influence the mobility choices of our employees are limited. Our company has some company cars in use, but business travel is low. Nevertheless, we will also reduce these emissions by transitioning to hybrid and electric cars by 2025, for example.

Focus on procurement and recycling

In our procurement activities, our target is to reduce logistics emissions by 20% by 2025. We pay special attention to environmentally friendly choices. For example, 90% of the cleaning agents used at our properties must be environmentally certified by 2025. We also prioritise eco-friendly products in our procurement of care supplies. The target is for 35% of the supplies to be eco-labelled products. In addition, we require ISO 14001 environmental certification from our key service providers.

In waste management, our target is to increase our recycling rate from 41% to 50%. We will also expand the monitoring of waste management to include all our units. At present, approximately 70% of our locations are within the scope of monitoring.

"From the recycling perspective, our multi-purpose locations are the most challenging because the waste management and recycling is shared with the property's other tenants. Accurate waste reporting is difficult at such properties," Rosqvist points out.

The total volume of waste generated in 2023 was 3,613 tonnes. We will continue our employee training and resident communications, as they play a significant role in increasing our recycling rate.

Esperi's carbon footprint in 2023

As one important part of our environmental programme, we wanted to calculate the carbon footprint of our operations. We took action in late 2023 with an external partner to calculate the carbon footprint for Esperi Group as a whole. The carbon footprint is now incorporated into our sustainability report for the first time.

We put together a uniform carbon footprint calculation for Esperi. It includes Scope 1, 2 and 3 emissions based on the data



on the year 2023. The calculation is based on the GHG Protocol, measured data and our partners' emission reports. Our estimates were primarily based on costs in procurement activities and in other areas where measured emission data was not available. To support the calculation process and prepare for future calculations, we also drew up guidelines on the collection of data and carrying out the calculations using the carbon footprint calculator.

In 2023, our total carbon footprint was 45,975 tonnes of carbon dioxide equivalent (tCO2e). Value chain emissions (Scope 3) accounted for 61% of our total emissions, while purchased energy (Scope 2) accounted for 36% and direct emissions (Scope 1) for 3%.

"The vast majority of emissions are generated by our value chain. This includes, for example, the emissions from purchased products and services, as well as commuting," Rosqvist explains.

The emissions from our own operations largely arise from the electricity and heating consumed at our properties. Most of our direct emissions (Scope 1) are generated by the fuel consumption of Esperi's own vehicles, with additional emissions arising from gas and oil heating at our properties. Most of our emissions from energy purchased for our own use (Scope 2) was generated by electricity consumption, followed by district heating and cooling.

"The latter part of 2023 was colder than average, which is reflected in our increased consumption of electricity and heating," Rosqvist says.

The majority (67%) of the CO2 emissions of our value chain (Scope 3) were from purchases. In this category, more than half of the emissions are generated by food services, followed by furniture and products, care supplies and services, all calculated on a cost basis. Commuting is the second-largest source of emissions (17%) in our value chain.

"This is a significant category of emissions, as our employees commute to the workplace every day," Rosqvist points out. In mobility-related emissions, the largest source is petrol cars, followed by diesel cars and hybrid cars. The emissions arising from commuting were estimated based on a employees survey that 467 employees responded to.

The third-largest category (11%) of emissions in our value chain is fuel production and energy transmission losses. These emissions are calculated on the basis of Scope 1 and 2 consumption. The size of this category is increased by the large number of properties and the energy consumption of the properties.

CEO **Stefan Wentjärvi** is proud of Esperi's new environmental plan and the work done for the environment.

"The plan shows us the way forward, and the carbon footprint calculation provides important information on where we stand right now. Tomi Rosqvist and his team have worked hard to produce our first carbon footprint calculation. It gives us a good foundation for continuing our climate work and making our efforts even more effective," Wentjärvi says.

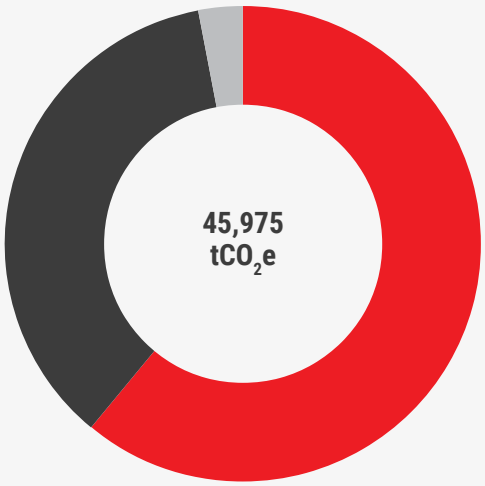
Greenhouse gas emissions

Category	tCO_2e	Share of total emissions
Total emissions (Scope 1–3)	45,975	
Scope 1 – Direct emissions	1,199	3%
Scope 2 – Purchased energy	16,652	36%
Scope 3 – Value chain emissions	28,124	61%

Key figures

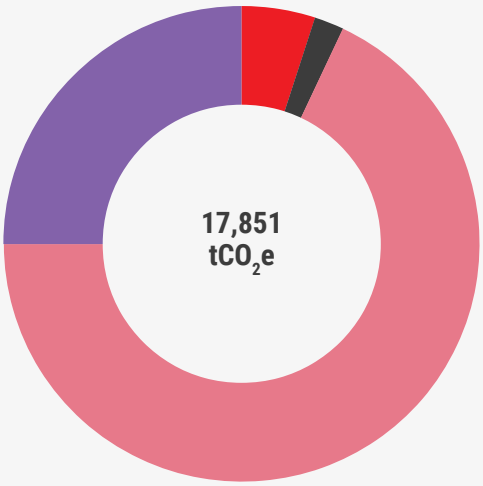
Category	Electricity (kWh)	Heating (kWh)	Water (m^3)
Scope 2 (properties in own use)	25,711 328	32,860 895	334,396
Scope 3 (properties rented out)	1,068,598	1,008,490	13,898

Distribution of emissions by Scope



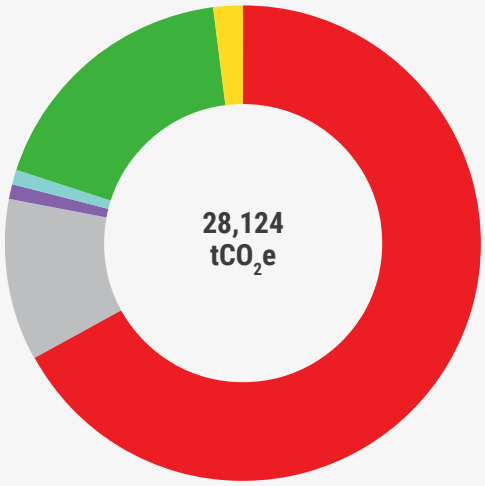
61% Scope 1 – direct emissions
36% Scope 2 – purchased electricity
3% Scope 3 – value chain emissions

Scope 1–2 emission sources



5% Scope 1: Fuel use in vehicles
2% Scope 1: Fuel use in other processes
0% Scope 1: Refrigerant charges
68% Scope 2: Electricity
25% Scope 2: District heating

Scope 3 emission sources



67% Category 1: Purchased products and services
0% Category 2: Fixed assets
11% Category 3: Production of fuels and energy transmission losses
0% Category 4: Transport and distribution (upstream)
1% Category 5: Waste
1% Category 6: Business travel
18% Category 7: Travel to work
2% Category 13: Assets rented out

Waste management (properties in own use)	tonnes
Mixed waste	2,113.8
Biowaste	578.2
Paperboard	217.5
Cardboard	137.7
Packaging plastic	93.3
Energy	29.4
Confidential documents	12.1
Sludge	44.0
Packaging metal	36.2
Packaging glass	79.9
Construction waste	8.5
Recyclable paper	261.9
Hazardous waste	0.4
Clear plastic film	0.5
Wood	0.2
Waste combined	**3,613.6**
Recycling rate	40.9%



Esperi seeks moderate growth

In 2024, Esperi will open three new units in Vuokatti, Kuopio, and Helsinki. The company will also seek growth through acquisitions. However, the goal is to grow in a controlled and carefully considered manner.

"We want to ensure that new locations have a strong resident base and recruitment will be successful. We do not force growth. Instead, we pursue growth when it is sensible and sustainable," says Real Estate and Environmental Director Tomi Rosqvist.

In 2023, three new housing facilities were completed, and we acquired 11 new units through acquisitions. In newly constructed properties, we pay special attention to environmental efficiency. For example, we utilise solar panels and invest in the remote monitoring of the technical systems of properties.

The geographical range of our operations extends from Sodankylä to Helsinki. Our plot reservations for 2025 are evenly distributed over Finland, from Rovaniemi in the north to the southern part of the country.

"We have several projects planned for 2025. We will launch the projects if the conditions are right and the market situation is good," Rosqvist says.

The global situation has had an impact on construction and also complicated matters for Esperi to some extent. The construction project for a unit planned for Espoo's Kilo district this year is suspended for the time being due to challenges experienced by our partner.

During the year under review, Esperi expanded its network particularly in elderly care services. Many entrepreneurs in the industry felt that it was the right time for an exit, and Esperi has created an excellent foundation for acquiring and integrating businesses in a sustainable manner.

"Our goal is to continue to expand our network in all of our business areas," says **Sebastian Knight**, Head of PMO and M&A.

New units through an acquisition

What makes a good acquisition and why do we focus so much on integration?

Read more on page 58.

Newly constructed units opening in 2024

- Esperi Koti Sointu in Helsinki's Herttoniemi district – capacity for 46 customers of disabled care services. The property will be handed over to Esperi on 30 April, and the residents will move in around mid-May.
- Esperi Koti Vuokatti in Sotkamo – capacity for 22 residents in disabled care services. The property was handed over to Esperi on 25 January and operations started at the beginning of March.
- Esperi Hoivakoti Torpankukka in Kuopio – capacity for 47 elderly residents. The property was handed over to Esperi on 1 February and operations began on 19 February.

#töissäesperillä





