



# CHARTER OF NIXU CORPORATION'S BOARD OF DIRECTORS

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## 1 General

The principal duty of the Board of Directors is to adopt Nixu Corporation's (the "**Company**") strategy and to monitor its implementation to ensure that it enables the achievement of financial targets and maximizes the shareholder value in the long run, while taking into consideration corporate social responsibility and various stakeholders.

The Company's Board of Directors operates in accordance with the applicable laws and its Articles of Association. The operations of the Board of Directors are governed especially by the Finnish Limited Liability Companies Act and the Finnish Securities Markets Act as well as by orders, guidelines and recommendations issued by public authorities and Nasdaq Helsinki Ltd (the "**Helsinki Stock Exchange**"). The Board of Directors also abides by the Corporate Governance Code issued by the Finnish Securities Market Association.

The Board of Directors has adopted these rules of procedure to complement the provisions that guide its operation. The content of these rules of procedure is assessed annually and, if necessary, it is updated.

The key components of the Charter of the Board of Directors are provided on the Company's website.

## 2 The Composition and Election of the Board of Directors

### 2.1 The Composition and Term of the Board of Directors

Pursuant to its Articles of Association, the Company's Board of Directors consists of a minimum of three (3) and a maximum of seven (7) members and necessary number of deputy members. The term of each board member begins at the close of the general meeting at which the board member is elected and ends at the close of the first annual general meeting following the election. The Board of Directors elects a chairman and a vice chairman from among its members.

A person running for election to the board for the first time must participate in the general meeting that decides upon their election unless there are weighty reasons for their absence.

### 2.2 Appointment and Compensation of Board Members

The Board of Directors has decided that the Company does not have a separate Nomination or Remuneration Committee. The Board of Directors is responsible for their tasks.

(1) Regarding the board members' nomination and remuneration matters, the duty of the Board of Directors is to:

- prepare the proposal to the general meeting on the appointment of the members of the Board of Directors
- prepare the proposal to the general meeting on matters pertaining to the remuneration of the members of the Board of Directors
- take care of the succession planning of the members of the Board of Directors
- discuss the candidates with known large owners
- present the proposal to the general meeting on the appointment of the members of the Board of Directors.

(2) Regarding the CEO, the deputy CEO, other management and personnel, the duty of the Board of Directors is to:

- prepare matters related to the appointment of the CEO and other management and to review appropriate candidates for their successors
- prepare matters related to the salaries and other financial benefits of the CEO and other management, assess remuneration and ensure the appropriateness of the incentive systems
- prepare matters related to the Company's incentive systems
- answer questions regarding the report concerning salaries and remuneration at the general meeting.

Evaluation of director candidates' independence is an essential part of the director nomination process. Each director candidate's independence is assessed annually against the independence criteria of the Corporate Governance Code. The independence of a director, who has served as a director for more than 10 consecutive years, is subject to an overall evaluation on an annual basis.

Each director shall give sufficient information to the Board of Directors for the assessment of their independence, notify of changes in the information affecting the assessment of their

independence and provide the Board of Directors with their own assessment of their independence.

A director candidate shall, according to the Company's guidance, give confidentially sufficient information for the evaluation of their independence as well as their own assessment of their independence.

Ultimately the Board of Directors makes the assessment of the independence of its directors and notifies which of them are independent of the Company and which of them are independent of significant shareholders. The Board of Directors makes the assessment annually, and the assessment is reported i.a. on the Company's Corporate Governance Statement. If factors affecting the independence of a director change during the year, the evaluation is updated.

The Board of Directors is also responsible for the preparation and enforcement of the Company's diversity policy.

### **2.3 Nixu Corporation's Diversity Policy and Planning of the Board of Directors' Composition**

Diversity supports the overall goal that the Board of Directors has optimal competence profile to support the Company's existing and future business and is conceived as an integral part and a success factor enabling the achievement of the Company's strategic goals and the continuous improvement of customer-driven operations.

The diversity of the Board of Directors is examined from different perspectives. Important factors for the Company are the mutually complementary expertise of the members, their education and experience in different professional areas and industrial sectors, businesses in various stages of development, leadership experience, and personal capabilities. The diversity of the Board of Directors is supported by experience in various industries and international operating environment and various industries and different cultures. Furthermore, taking the age and gender ratio into account is considered as important.

Nixu Corporation's objective is to maintain a balanced representation of both genders in the Board of Directors. As means to achieve the aforesaid objective, the nomination board seeks to include representatives of both genders in the directors candidates search and evaluation process.

Both genders shall always be represented in the Board of Directors, and high priority shall be given to maintaining at least [1/3] representation of the under-represented gender among the non-executive directors in the Board. Where two candidates are equally qualified, priority shall be given to the candidate of the under-represented gender.

### **2.4 Self-assessment of the Board of Directors**

The Board of Directors and its committees assess their operations on an annual basis to ascertain whether the Board of Directors and its committees are operating efficiently. The Board of Directors sets out the criteria used in its assessment in its annual action plan.

When assessing the operations of the Board of Directors, the extent to which it has implemented its action plan will also be reviewed. At the same time, the expectations of the company's stakeholders vis-à-vis the operations of the Board of Directors will also be assessed. Furthermore, it will be ascertained whether the Charter of the Board of Directors is up-to-date. This assessment is carried out as an internal self-assessment. The Board of Directors will discuss the results of the assessment.

## 3 The Duties of the Board of Directors

### 3.1 Duties Arising from the Law and the Articles of Association

Pursuant to the Finnish Companies Act, the Board of Directors is responsible for the management of the Company and for the proper arrangement of its operations. In addition, the Board of Directors is responsible for the appropriate arrangement of the supervision of the Company's accounts and finances. The Board of Directors uses monthly reports and other information provided thereto by the Company's management to stay informed of any developments in the Company's finances.

The Board of Directors:

- convenes the annual and extraordinary general meetings in addition to preparing and submitting proposals to the general meeting
- defines the company's profit sharing policy and submits a proposal concerning profit sharing to the general meeting
- decides on donations within the framework provided by the Finnish Companies Act
- defines the operating principles of the Company's risk control system and internal controls
- discusses and adopts the annual report and financial statements as well as the interim reports
- decides on the establishment or disbandment of committees
- defines the diversity policy of the company's Board of Directors
- monitors and assesses the financial reporting system
- monitors and assesses internal control and inspection and efficiency of risk control systems
- monitors and assess the independence of the auditor and, in particular, non-audit services provided by the auditor
- monitors the Company's audit
- prepares the election of the Company's auditor.

### 3.2 Other Duties

In addition to the duties set out in law and in the Articles of Association, the Board of Directors discusses matters that are significant to and which have a long-term impact on the extent and quality of the operations of the Company and the group:

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

The Board of Directors also decides on principles pursuant to which the management can make decisions concerning investments and issuing of guarantees.

Furthermore, the Board of Directors:

- adopts its Charter
- adopts the values and operating principles of the Company and monitors their implementation

- adopts the Company's strategy and monitors its implementation
- adopts the annual operating plan and a budget based on the strategy and monitors their implementation
- sets annual personal goals for the CEO and assesses whether these goals have been met in addition to adopting a set of goals for the members of the Company's management team and assesses whether these goals have been met
- annually reviews the key risks involved in the Company's operations and their management in addition to providing related instructions to the CEO if necessary
- adopts the Group's organisation structure
- appoints and dismisses the CEO and the members of the management team in addition to deciding on the terms and conditions applied to their service or employment contracts and on their incentive systems
- submits proposals concerning the bonus systems of the management and employees to the general meeting if necessary
- monitors matters concerning the succession of the management.

The Company does not have a separate internal audit organisation. This is taken into consideration when planning auditing and auditings in accordance to quality systems.

### **3.3 The Duties of the Chairman of the Board of Directors**

The general duty of the chairman of the Board of Directors is to oversee the Board's work in order to ensure that its duties are carried out as efficiently and appropriately as possible.

The chairman:

- supervises that the meetings set out in the Board's meeting schedule are convened
- convenes the Board of Directors for extraordinary meetings if necessary
- adopts the agenda in addition to approving the presenters of the matters and the summoning of other persons, whose presence is required, to the meetings;
- supervises that the minutes drawn up of the meeting correspond to the actual proceedings
- corresponds with the board members between meetings if necessary
- corresponds with the owners of the Company and other stakeholders if necessary
- is responsible for planning and assessing the operations of the Board of Directors
- acts as the administrative superior of the CEO.

In the event that the chairman is absent, their duties will be carried out by the vice chairman to a separately agreed-upon extent.

### **3.4 Board Secretary**

The Company's CFO acts as the secretary of the board and keeps minutes of the meetings. In the event that the secretary is absent, the CEO or another person appointed by the board will act as the secretary of the board.

## 4 Board meetings

### 4.1 Regular Meetings

The Board of Directors will convene in accordance with the schedule agreed upon in the annual action plan that is adopted in advance, i.e. usually 10–11 times a year in accordance with the following meeting schedule, unless otherwise stipulated in the action plan:

Month	Matters to be discussed
January/February	financial statements, consolidated financial statements and H2 review.
March	summons to the annual general meeting, the proposal of the audit committee to general meeting concerning who will be elected as the auditor
April/May	the initial board meeting, assessment of the independence of the board members and the appointment of committee members, the Charter of the Board of Directors and the committees as well as the Company's risk management.
June	strategy and H2 budget
July/August	H1 review
October/November	The Company's risk management review
December	budget, the Board's self-assessment, the publication dates of the financial statements and the interim reports, the date of the annual general meeting

### 4.2 Other Meetings

The Board will hold extraordinary meetings as necessary, which may also be held as teleconference meetings. Matters may also be decided upon without convening an actual meeting by drawing up a final protocol that is signed by all board members. The chairman of the Board or the CEO convenes the extraordinary board meetings.

### 4.3 Meeting with the Auditors

The Board of Directors will meet with the Company's auditors at least once a year at a board meeting.

## 5 The Protocol Applied to the Board Meetings

### 5.1 Convening the Meetings

A summons to attend the relevant board meeting will be delivered to all board members in the most applicable manner by either email or phone. The summons must set out all matters to be discussed at the meeting (agenda). Board members must be supplied with materials concerning the matters to be discussed at the meeting well in advance of the meeting to enable the board members to review these matters thoroughly in advance. The principal tool in supplying the materials is the Company's portal. Furthermore, the board members are entitled to contact people employed by the company or the advisers contracted by the company in order to acquire further information.

The board meetings may be held in the Company's domicile in Helsinki or in another place designated by the Board or the convener.

### 5.2 The Right to Attend, to Speak, to Make Proposals and to Vote

In addition to the board members, the Company's CEO and the auditor, to the extent that their duties are discussed at the meeting, have the right to attend and to speak at board meetings. Furthermore, the Board may summon others to attend the meetings and grant them the right to speak.

Only board members and the CEO have the right to submit proposals.

Only those qualified board members that are present at the meeting have the right to vote.

The board meetings may also be participated by using a technical assistance that is found to be safe.

### 5.3 Discussing Matters at the Meetings

The chairman of the Board of Directors or, if the chairman is absent, the vice chairman will moderate the discussion at the board meetings.

The Board of Directors will discuss the matters set out in the agenda of the meeting. These matters are presented by the chairman of the Board of Directors, the CEO or some other person, who contributed to preparing the matter, summoned to the meeting by the Board of Directors.

Matters that are not on the agenda may be discussed at the initiative of a board member or the CEO. A decision can be rendered on these matters only if all board members are present at the meeting or if those members that were absent from the meeting accept these decisions at a later date e.g. by signing the minutes.

### 5.4 Decision-making

The Board of Directors strives to make unanimous decisions.

In the event that the Board cannot come to an agreement, the matter will be decided by a vote. The Board will adopt the stance supported by the majority of the board members present at the meeting as its decision. In the event of a tie, the proposal supported by the chairman of the meeting will be adopted as the decision, except when electing the chairman, in which case the result will be decided by drawing lots.

A member of the Board of Directors shall not participate in the handling of a matter concerning a contract between him/her and the Company. Furthermore, he/she shall not take part in the handling of a matter concerning a contract between the Company and a third party, if he/she is expected to have an essential interest from it that may be in conflict with the Company's interest.

## 5.5 Minutes

Consecutively numbered minutes will be kept of the meetings.

The minutes must be detail when and where the meeting was held, who was present at the meeting, which board members were absent after notifying the Board that they would not be attending due to a conflict of schedule and which were absent without such notification, and the decisions rendered and any votes held at the meeting.

The minutes will be scrutinised and approved either by having the chairman and the secretary of the meeting as well as the scrutiniser of the minutes elected by the meeting confirm the minutes with their signatures or by having all board members sign the minutes. Minutes of decisions made without convening a meeting are scrutinised and accepted by having all board members sign them.

The Company will archive the minutes and distribute copies thereof to the board members. The minutes will be kept and stored in a reliable manner while the company exists.

## 6 Attending General Meetings

In order to ensure interaction between the shareholders and the Board of Directors and to implement the shareholders' right to request information, a sufficient number of board members will attend the Company's general meetings.

To the extent possible, the entire Board of Directors as well as any person running for election to the board for the first time will attend the annual general meeting. Depending on the nature of the matter, the majority of the board members, including the chairman of the Board or the vice chairman, will attend extraordinary general meetings.

## 7 Confidentiality and the Duty of Care

Board members are bound by both general provisions governing business secrets and trade secrets as well as specific restrictions arising from insider rules with regard to the information received thereby during their term as a board member and the processing of such information.

All documents related to the Board's duties, unpublished stock exchange releases, strategic information and project-specific information are defined as insider information in the Company's internal insider guidelines.

The Board of Directors and its individual members must take the benefit of the Company and all of its shareholders into consideration and act with care in all of their duties and decision-making. Board members are expected to exhibit so-called objective care. In other words, the board members must act with a degree of care that can be objectively expected of a person in a corresponding position.

## 8 Communications

The CEO is responsible for the communications of the Company. Another member of the Company's management may also give statements on behalf of the Company as instructed by the CEO. The chairman of the Board of Directors will generally issue any statements given by the Board of Directors. The chairman of the Board of Directors will issue statements concerning the Company's ownership structure, any strategic matters that have a significant impact on the Company and on matters pertaining to the CEO on behalf of the Company.

## 9 The Board's Committees and Working Groups

In order to carry out its duties more effectively, the Board of Directors has appointed an Audit Committee. The Audit Committee prepares matters related to the Company's financial reporting and control.

The Board of Directors elects the members and the chairman of the Committee from among its members in addition to adopting a Charter for the Committee as necessary.

The Committee has no independent power to make decisions. The Committee prepares matters that will be brought before the Board of Directors for it to decide upon them. The Board of Directors is responsible for ensuring that the duties assigned thereby to the Committees are carried out.

The Audit Committee's duties are to:

- monitor and supervise the financial reporting process
- monitor and supervise the internal control and audit as well as the efficiency of risk management systems
- monitor and supervise the auditor's independence and especially monitor and assess non-audit services provided by the auditor
- monitor the statutory auditing of financial statements and consolidated financial statements
- monitor the financial statement reporting process
- control the financial reporting process
- monitor the Company's related party transactions in accordance with the reporting standard
- prepare a proposal on the election of the auditor.

The Audit Committee comprises of at least three members of the Board. Majority of the Audit Committee's members must be independent of the Company and at least one member must be independent of the Company's significant shareholders. A member of the Audit Committee may not participate in the daily management of the Company or an entity or foundation consolidated into its consolidated financial statements. At least one of the Audit Committee's members must have knowledge of accounting or auditing.

The Committee will convene as necessary, but at least three times a year and the meeting rhythm must be in line with the Company's financial reporting rhythm.

As necessary, the Board of Directors may appoint other committees and working groups from among its members to prepare other important decisions.