

# Charter of the Audit Committee of Sitowise Group Plc

## 1. General

The Board of Directors of Sitowise Group Plc (the "Company") has adopted this Charter to govern the work of the Audit Committee of the Board as part of the corporate governance in the Company.

In accordance with the Finnish Limited Liability Companies Act, the Board of Directors sees to the Company's administration and the proper organization and representation of its operations. In addition, the Audit Committee of the Company is responsible for ensuring the appropriate arrangement of the governance, controls and risk management in accordance with the Companies Act and to release the Board's time for strategic matters by providing the Board with quarterly reports on those matters.

In particular, the Board shall monitor and review the Company's financial reporting processes, the efficiency of internal controls, internal audit, and risk management and how agreements and other legal acts between the Company and its related parties meet the requirements of the ordinary course of business and arm's length terms. The Board shall also monitor the Company's audit, the independence of the Company's auditor and that the auditor's non-audit services are compatible with the auditor's independence. The Board shall also prepare the appointment of the auditor. Preparation of matters relating to these duties is the responsibility of the Audit Committee.

## 2. Composition of the Audit Committee

The Audit Committee shall consist of 3 to 4 members, including a Chairman, that are elected by the Board among its members following the Annual General Meeting. The term of office of the members is one year.

The majority of the members shall be independent of the Company and at least one member shall be independent of the significant shareholders of the Company. Members of the Audit Committee shall have relevant expertise and experience required for the performance of the duties and responsibilities of the Audit Committee and the mandatory tasks relating to auditing. At least one of the members shall have expertise in accounting or auditing and the members of the Audit Committee as a whole shall have relevant expertise in the Company's business operations.

A person who participates in the day-to-day management of the Company or a company in the same group of companies, for example as a CEO, cannot be appointed to the Audit Committee.

## 3. Duties and responsibilities of the Audit Committee

The duties and responsibilities of the Audit Committee include, among other things, to

### *Oversight of financial reporting*

- 1) monitor and assess the reporting process of financial statements reporting and review with the external auditor the annual financial statements and interim reports before submission to the Board for final approval;

- 2) review and assess with the external auditors the results of the audit;
- 3) review internal controls and monitor the effectiveness of the Company's procedures for internal control over financial reporting;
- 4) review the Company's key accounting policies and principles;
- 5) monitor the related party transactions and address any possible conflicts;
- 6) consider the report on non-financial matters;
- 7) monitor the Company's financial position;
- 8) evaluate the use and presentation of alternative performance measures;

#### *Risk management*

- 9) monitor and review the effectiveness of the Company's risk management system, including the risk profile of Sitowise Group and make such recommendations as the Committee considers desirable and review the risk management-related statements to be included in the financial reports;
- 10) assess the effectiveness of the internal controls and the internal control system;
- 11) assess principles related to internal controls and risk management of the Company's financial reporting processes;
- 12) receive and review reports from the management on any material financial risks and litigation or claim against or raised by any Sitowise Group company;

#### *Auditors and external audit*

- 13) for the purposes of each Annual General Meeting and otherwise as necessary, prepare a resolution proposal to the shareholders as to the election and fees of the external auditor(s) and remuneration principles;
- 14) initiate the process regarding rotation of the auditor;
- 15) evaluate the audit plan as well as the scope and quality of the external audit and review audit fees;
- 16) evaluate the independence of the auditors;
- 17) approve and follow up on non-audit services provided by the auditors;
- 18) when needed, meet separately with external auditors to discuss any matters in addition to the duties required by regulations that might be relevant for the internal controls;

- 19) review and confirm the independence of external auditors, also in relation to the non-audit services;
- 20) review and evaluate the process of selecting external auditors and follow any regulatory changes regarding auditor selection as well as auditor and audit firm rotation requirements;

*Internal audit*

- 21) approve the internal audit guidelines, audit activities and resourcing of the internal audit function;
- 22) assess the scope and quality of the internal audit as well as approve the internal audit plan and review its implementation;
- 23) review the summary reports of the internal audit and the management's response;

*Legal, compliance and governance*

- 24) review major legal disputes and other legal matters together with the General Counsel of the Company and/or external legal advisor;
- 25) review the Company's Corporate Governance Statement including the description of the main features of the internal control and risk management systems in relation to the financial reporting process, which are included in the Company's Corporate Governance Statement;
- 26) review the Company's non-financial report; and
- 27) establish principles concerning the monitoring and assessment of related party transactions;

*Other*

- 28) see to other tasks assigned by the Board.

In discharging its oversight role, the Audit Committee shall have full access to all Company books, records, facilities and personnel. In matters within its responsibilities, the Audit Committee may retain legal counsels, auditors or other advisors at the expense of the Company.

#### 4. Meetings and Reporting to the Board

The Audit Committee shall meet at least four (4) times annually at the invitation of the Chairman. The Audit Committee defines the annual calendar for the Audit Committee meetings. The calendar shall include issues to be considered at each meeting so that the duties of the Audit Committee will be covered. In addition, the Audit Committee may consider other matters included in its field of duties per meeting.

The CFO and, if necessary, the person responsible for the internal audit and the auditor shall participate in the meetings. In addition, the Audit Committee may invite to the meetings the CEO or other experts who are relevant to matters on the agenda.

The secretary to the Audit Committee shall be nominated by the Board. The Audit Committee reports on its work to the Board. The Chairman of the Audit Committee presents to the Board a summary report of each of the Audit Committee meetings. Furthermore, the minutes of the Audit Committee meetings and the materials of the Audit Committee are made available to the Board members. The Audit Committee evaluates annually its activities and reports to the Board.

All members of the Board have the right to participate in the meetings. Meetings may be held as conference calls or by means of other technical devices. The meeting materials and minutes are made available for all members of the Board except in case of interest conflicts or as to a Board member being an employee representative.

The secretary of the Audit Committee keeps minutes of the Audit Committee meetings. The minutes are signed by all members of the Audit Committee as well as the Committee secretary.

## 5. Approval of the Charter

This Charter was approved at the meeting of the Board on 25 February 2021.