

SITOWISE GROUP PLC

MINUTES 1/2023

ANNUAL GENERAL MEETING

Time: 25 April 2023 at 11:00 am (EEST)

Place: Dipoli, Otakaari 24, FI-02150 Espoo, Finland

Present: Shareholders were present or represented at the meeting in accordance with the list of votes adopted at the meeting.

In addition, present at the meeting were the Chair of the Board of Directors Eero Heliövaara and members of the Board of Directors Taina Kyllönen, Mirel Leino-Haltia, Elina Piispanen, Petri Rignell and Tomi Terho, the Company's CEO Heikki Haasmaa and other members of the Company's management and technical personnel as well as the Company's auditor with principal responsibility Turo Koila, APA, and the candidate as the Company's new auditor with principal responsibility Kim Järvi, APA, and Niklas Sörensen and Mats Åström, new member candidates to the Board of Directors.

1. OPENING OF THE MEETING

The Chair of the Board of Directors Eero Heliövaara opened the meeting and welcomed the shareholders to the meeting.

2. CALLING THE MEETING TO ORDER

Attorney-at-law Jukka Tanhuanpää was elected Chair of the General Meeting and he called attorney-at-law Anna Rautioaho to act as secretary.

The Chair explained the procedures for considering the matters on the agenda of the meeting.

The Chair noted that shareholders had been able to exercise their right to vote also by voting in advance on items 7–20 on the agenda of the General Meeting. The proposed resolutions subject to the advance voting are in accordance with the Finnish Companies Act considered to have been presented without amendments at the General Meeting. A custodian bank representing certain nominee-registered shareholders had also participated in the advance voting on behalf of the shareholders it represented.

The Chair noted with respect to the advance voting, that if a full counting of votes is not carried out in an agenda item, the number of abstaining or opposing votes cast in advance would be recorded in the minutes in connection with each agenda item. The Chair further noted that to the extent that the summary list of votes includes opposing votes without a counterproposal in matters where it was not possible to oppose the proposal without a counterproposal, such votes would not be formally acknowledged, and they would not be recorded under the respective agenda items.

A summary of the votes cast in advance was appended to the minutes ([Appendix 1](#)).

It was noted that shareholders have had the possibility to submit questions in advance on matters to be discussed at the General Meeting, as described in the notice to the Annual General Meeting. It was noted that no questions had been submitted in advance.

It was noted that shareholders had the possibility to follow the General Meeting via webcast. It was not possible to present questions, make proposals, to speak or vote via the webcast, and following the meeting via the webcast was not considered participation in the General Meeting or exercise of shareholder rights.

The agenda presented in the notice to the Annual General Meeting was approved as the agenda for the meeting.

3. ELECTION OF PERSONS TO SCRUTINIZE THE MINUTES AND TO SUPERVISE THE COUNTING OF VOTES

Mikko Kesti and Juhana Kallio were elected to scrutinize the Minutes and to supervise the counting of votes.

4. RECORDING THE LEGALITY OF THE MEETING

It was noted that the notice to the meeting had been published on the Company's website and through a stock exchange release on 15 March 2023. The annual accounts and the proposals, including all the appendices, included in the notice to the meeting had been available for review on the Company's website in accordance with the Finnish Companies Act at least three weeks prior to the meeting.

It was noted that the General Meeting had been convened in accordance with the provisions of the Articles of Association and the Finnish Companies Act and that the meeting was therefore legal and constituted a quorum.

The notice to the meeting was appended to the minutes ([Appendix 2](#)).

5. RECORDING THE ATTENDANCE AT THE MEETING AND ADOPTION OF THE LIST OF VOTES

It was noted that shareholder who participates in the General Meeting, have had to register for the meeting no later than on 20 April 2023 at 10:00 am (EEST).

It was noted that shareholders have been able to vote either in advance in person or by way of proxy representative during the advance voting period that ended on 20 April 2023 at 10:00 am (EEST).

It was recorded that at the beginning of the meeting 40 shareholders were represented either through advance voting, in person or by a legal representative or an authorized proxy representative, representing a total of 16,008,648 shares and votes, i.e. approximately 44.9 per cent of all shares and votes in the Company.

The list recording the attendance at the beginning of the meeting and the list of votes were appended to the minutes ([Appendix 3](#)). It was noted that the list of votes will be adjusted to correspond to the attendance at the beginning of a possible vote.

6. PRESENTATION OF THE FINANCIAL STATEMENTS, THE REPORT OF THE BOARD OF DIRECTORS AND THE AUDITOR'S REPORT FOR THE FINANCIAL YEAR 2022

It was noted that the Company's financial statements, consolidated financial statements, the report of the Board of Directors and the auditor's report for the financial year 2022 have been available to shareholders on the Company's website as of 30 March 2023 as required by the Finnish Companies Act. In addition, they were also available at the meeting venue.

CEO Heikki Haasmaa presented a review and key points of the financial statements per 31 December 2022 as well as the most significant events of the past financial year. The CEO's review was appended to the minutes ([Appendix 4](#)).

The Company's responsible auditor Turo Koila, APA, presented a summary of the auditor's report.

The financial statements, which also include the consolidated financial statements, the report of the Board of Directors and the auditor's report, were noted to be presented and were appended to the minutes ([Appendix 5](#)).

7. ADOPTION OF THE FINANCIAL STATEMENTS 2022

The financial statements and consolidated financial statements for the financial year between 1 January 2022 and 31 December 2022 were adopted.

8. RESOLUTION ON THE USE OF PROFIT SHOWN ON THE BALANCE SHEET AND THE PAYMENT OF DIVIDEND

It was noted that on 31 December 2022, the distributable funds of the parent company Sitowise Group Plc were EUR 107,440,279.

It was noted that the Board of Directors had proposed to the Annual General Meeting that a dividend of 10 cents (EUR 0.10) per share, which is approximately 45 per cent of the net profit, be paid for the financial year 2022 and that the remaining distributable funds be retained in unrestricted equity. The dividend is paid to a shareholder who is registered in the shareholders' register of the Company maintained by Euroclear Finland Ltd on the dividend record date 27 April 2023. According to the proposal, the dividend will be paid on 5 May 2023.

The Annual General Meeting approved the Board of Directors' proposal on the use of the profit shown on the balance sheet and on the payment of dividends.

It was recorded that, with respect to this agenda item, 109,472 abstain votes were casted by shareholders who voted in advance.

9. RESOLUTION ON THE DISCHARGE OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE CEO FROM LIABILITY

It was noted that the discharge from liability for the financial year 2022 concerns all persons who have acted as members of the Board of Directors, deputy members or CEO during the financial year between 1 January 2022 and 31 December 2022. These persons are:

- Eero Heliövaara, Chair of the Board of Directors,
- Leif Gustafsson, Taina Kyllönen, Mirel Leino-Haltia, Elina Piispanen, Petri Rignell and Tomi Terho, members of the Board of Directors,
- Pekka Eloholma, CEO until 30 April 2022, and
- Heikki Haasmaa, CEO as of 1 May 2022.

It was noted that the Company's auditor has had no objections with regard to the activities of the Board of Directors or the CEO in the audit report.

The Annual General Meeting resolved to discharge from liability the aforementioned persons who have acted as members of the Board of Directors or as CEO during the financial year 2022.

It was recorded that, with respect to this agenda item, 379,635 votes against were casted by shareholders who voted in advance.

10. ADOPTION OF THE REMUNERATION REPORT FOR GOVERNING BODIES

It was noted that the Board of Directors had proposed to the Annual General Meeting that the remuneration report for the Company's governing bodies for the financial year 2022 be approved. The remuneration report had been available on the Company's website as of 30 March 2023. It was further noted that the resolution of the Annual General Meeting on the approval of the remuneration report is advisory.

The remuneration report was appended to the minutes ([Appendix 6](#)).

The Annual General Meeting resolved to approve the remuneration report for governing bodies.

It was recorded that, with respect to this agenda item, 2,256,655 votes against and 1,303,102 abstain votes were casted by shareholders who voted in advance.

11. ADOPTION OF THE REMUNERATION POLICY OF GOVERNING BODIES

It was noted that the Board of Directors had proposed to the Annual General Meeting that the updated remuneration policy of the Company's governing bodies be approved. The remuneration policy had been available on the Company's website as of 30 March 2023. It was further noted that the resolution of the Annual General Meeting on the adoption of the remuneration policy is advisory.

Eero Heliövaara, Chair of the Board of Directors, presented the remuneration policy of governing bodies approved by the Company's Board of Directors.

The remuneration policy was appended to the minutes ([Appendix 7](#)).

The Annual General Meeting resolved to approve the proposed remuneration policy for governing bodies.

It was recorded that, with respect to this agenda item, 656,178 votes against and 1,071,500 abstain votes were casted by shareholders who voted in advance.

12. RESOLUTION ON THE REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS

It was noted that the Board of Directors had proposed to the Annual General Meeting on recommendation of the Nomination Committee of the Board of Directors that the Board of Directors and its Audit, Personnel and Acquisition Committees will be paid for a term which ends at the closing of the next Annual General Meeting, the following remuneration:

- the fee for the chair of the Board of Directors would be EUR 4,750 per month;
- the fee for other board members would be EUR 2,250 per month;
- the meeting fee for the chair of the Board of Directors and chairs of the board committees would be EUR 1,000 per meeting; and
- the meeting fee for other members of the Board of Directors and the other board committee members would be EUR 400 per meeting.

In addition, the travel expenses of the members of the Board of Directors would be reimbursed in accordance with the Company's travel policy.

The Annual General Meeting resolved to approve the Board of Directors' proposal on the remuneration of the members of the Board of Directors and the reimbursement of travel expenses.

13. RESOLUTION ON THE NUMBER OF MEMBERS OF THE BOARD OF DIRECTORS

It was noted that the Board of Directors had proposed to the Annual General Meeting on recommendation of the Nomination Committee of the Board of Directors that the number of members of the Board of Directors be confirmed as eight (8).

The Annual General Meeting resolved that the number of members of the Board of Directors to be confirmed as eight (8).

14. ELECTION OF THE MEMBERS OF THE BOARD OF DIRECTORS

It was noted that the Board of Directors had proposed to the Annual General Meeting on the recommendation of the Nomination Committee of the Board of Directors that the current members of the Board of Directors, Eero Heliövaara, Taina Kyllönen, Mirel Leino-Haltia, Elina Piispanen, Petri Rignell and Tomi Terho be re-elected as the members of the Board of Directors, and that Niklas Sörensen and Mats Åström be elected as new members of the Board of Directors. It was noted that the proposed persons have given their consent to the election. Current member of the Board of Directors Leif Gustafsson has announced that he is no longer available for re-election.

It was noted that the term of office of the members of the Board of Directors would last until the end of the next Annual General Meeting following their election.

The Annual General Meeting resolved to elect the following persons as members of the Board of Directors: Eero Heliövaara, Taina Kyllönen, Mirel Leino-Haltia, Elina Piispanen, Petri Rignell, Tomi Terho, Niklas Sörensen and Mats Åström.

It was recorded that, with respect to this agenda item, 612,187 votes against were casted by shareholders who voted in advance.

15. RESOLUTION ON THE REMUNERATION OF THE AUDITOR

It was noted that the Board of Directors had proposed to the Annual General Meeting on recommendation of the Audit Committee of the Board of Directors that the remuneration of the auditor be paid against a reasonable invoice.

The Annual General Meeting resolved in accordance with the proposal of the Board of Directors that the remuneration of the auditor be paid according to a reasonable invoice.

It was recorded that, with respect to this agenda item, 656,178 votes against were casted by shareholders who voted in advance.

16. ELECTION OF AUDITOR

It was noted that the Board of Directors had proposed on recommendation of the Audit Committee of the Board of Directors that KPMG Oy Ab, Authorized Public Accountants, be re-elected as the auditor of the Company for a term of office lasting until the end of the next Annual General Meeting. KPMG Oy Ab has informed that Kim Järvi, APA, would act as the auditor with principal responsibility.

The Annual General Meeting resolved in accordance with the proposal of the Board of Directors to elect KPMG Oy Ab as the Company's auditor, with APA Kim Järvi as the principal auditor for a term of office lasting until the end of the next Annual General Meeting.

It was recorded that, with respect to this agenda item, 612,187 votes against were casted by shareholders who voted in advance.

17. AMENDMENT OF THE ARTICLES OF ASSOCIATION

It was noted that the Board of Directors had proposed to the Annual General Meeting that the Articles of Association of the Company be amended so that organizing the General Meeting is made possible without a meeting venue, i.e., as a so-called remote meeting. The proposal is based on the legislative changes to Chapter 5 of the Finnish Companies Act, which include the possibility to arrange remote General Meetings. According to the Finnish Companies Act, in a remote meeting, shareholders fully use their decision-making power in real time using a telecommunications connection and technical instruments during the meeting.

It was noted that the Board of Directors had proposed to the Annual General Meeting that the Articles of Association of the Company be amended so that, in addition to the Company's domicile Espoo, the General Meeting can be held also in Helsinki and Vantaa.

It was further noted that the Board of Directors had proposed to the Annual General Meeting that the new Article 9 of the Articles of Association, as amended, reads as follows:

“9 § The shareholders exercise their power of decision in the company's affairs at the General Meeting.

The Annual General Meeting of shareholders shall be held annually within six (6) months of the expiration of the financial year. An Extraordinary General Meeting of shareholders shall be held when the Board of Directors considers it necessary or when the law so requires.

The Board of Directors convenes the General Meeting and decides on the date and place of the Meeting. In addition to the domicile of the company, the General Meeting may be held in Helsinki and Vantaa. The notice of the General Meeting shall be delivered to the shareholders no earlier than three (3) months and no later three (3) weeks prior to of the Meeting, however, no later than nine (9) days before the record date of the General Meeting. The notice shall be delivered to the shareholders by means of a notice published on the company's website or at least in one national daily newspaper designated by the Board of Directors.

The Board of Directors may decide that a General Meeting is arranged without a meeting venue in a manner whereby shareholders exercise their decision-making power in full and in real time during the meeting using telecommunication connection and technical tools (remote meeting).

To be entitled to attend the General Meeting, a shareholder must register with the company no later than on the date specified in the notice of the General Meeting, which date may not be earlier than ten (10) days prior to the General Meeting.”

The Annual General Meeting resolved to amend the Section 9 of the Articles of Association in accordance with the proposal of the Board of Directors.

It was recorded that, with respect to this agenda item, 232,552 votes against and 109,472 abstain votes were casted by shareholders who voted in advance.

18. ESTABLISHMENT OF SHAREHOLDERS' NOMINATION BOARD AND REMUNERATION

It was noted that the Board of Directors had proposed to the Annual General Meeting that the Annual General Meeting resolves to establish a Shareholders' Nomination Board to prepare proposals on the composition and remuneration of the Board of Directors to the Annual General Meeting as follows:

The Shareholders' Nomination Board consists of a representative of each of the three (3) largest shareholders and the Chair of the Board of Directors who serves as an expert member of the Shareholders' Nomination Board.

The right to nominate members representing shareholders belongs to the three shareholders who hold the largest share of all the votes in the Company on the first weekday in September preceding the Annual General Meeting. If a shareholder does not wish to use its nomination right, the right will be transferred to the next largest shareholder. The largest shareholders are determined based on their shareholdings in the Company's shareholder register. However, holders of nominee-registered shares and shareholders whose holdings should, according to shareholding disclosure rules, be added together are also taken into account in the appointment process.

The Shareholders' Nomination Board shall be convened by the Chair of the Board of Directors, and the Nomination Board shall elect a chair from among its members.

In accordance with the proposal of the Board of Directors, the Annual General Meeting further resolved that the Nomination Board will be paid for a term which ends at the closing of the Annual General Meeting 2024, the following remuneration:

- the meeting fee of EUR 1,000 per meeting for the chair of the Nomination Board
- the meeting fee of EUR 400 per meeting for other members of the Nomination Board, including the chair of the Board of Directors.

The Shareholders' Nomination Board shall give its proposal to the Board of Directors of the Company at the latest on 1 February preceding the Annual General Meeting.

It was further noted that the Board of Directors had proposed to the Annual General Meeting that the General Meeting confirms the rules of procedure of the Shareholders' Nomination Board that had been available on the Company's website as of 30 March 2023. The rules of procedure of the Shareholders' Nomination Board were appended to the minutes ([Appendix 8](#)).

The Annual General Meeting resolved to approve the proposal of the Board of Directors regarding the establishment of a Shareholders' Nomination Board and the remuneration of the Shareholders' Nomination Board. In addition, the Annual General Meeting resolved to confirm the rules of procedure of the Shareholders' Nomination Board in accordance with the proposal of the Board of Directors.

It was recorded that, with respect to this agenda item, 109,472 abstain votes were casted by shareholders who voted in advance.

19. AUTHORISING THE BOARD OF DIRECTORS TO DECIDE ON THE REPURCHASE OF COMPANY'S OWN SHARES

It was noted that the Board of Directors had proposed to the Annual General Meeting that the Board of Directors be authorized to decide on the repurchase of the Company's own shares as follows:

The number of own shares to be repurchased based on this authorization shall not exceed 3,500,000 shares in total, which corresponds to approximately 9.8 per cent of all the shares in the Company. However, the Company together with its subsidiaries cannot at any moment own more than 10 per cent of all the shares in the Company.

Own shares can be repurchased only using the unrestricted equity of the Company at a price formed in public trading on the date of the repurchase or otherwise at a price formed on the market.

The Board of Directors decides on all other matters related to the repurchase of own shares, and among other things derivatives can be used in the repurchase. Own shares can be repurchased otherwise than in proportion to the shareholdings of the shareholders (directed repurchase).

The authorization is effective until the beginning of the next Annual General Meeting, however, no longer than until 30 June 2024.

The Annual General Meeting resolved to authorize the Board of Directors to decide on the repurchase of the Company's own shares in accordance with the proposal of the Board of Directors.

20. AUTHORISING THE BOARD OF DIRECTORS TO DECIDE ON THE ISSUANCE OF SHARES AND THE ISSUANCE OF OPTIONS AND OTHER SPECIAL RIGHTS ENTITLING TO SHARES

It was noted that the Board of Directors had proposed to the Annual General Meeting that the Board of Directors be authorized to decide on the issuance of shares as well as the issuance of options and other special rights entitling to shares referred to in chapter 10 section 1 of the Companies Act as follows:

The number of shares to be issued based on this authorization shall not exceed 3,500,000 shares, which corresponds to approximately 9.8 per cent of all the shares in the Company. The authorization covers both the issuance of new shares as well as the transfer of treasury shares held by the Company.

The Board of Directors decides on all other conditions of the issuance of shares and of special rights entitling to shares. The issuance of shares and of special rights entitling to shares may be carried out in deviation from the shareholders' pre-emptive rights (directed issue).

This authorization cancels all previous authorizations given by the General Meeting to decide on the issuance of shares and special rights entitling to shares. The authorization is effective until the beginning of the next Annual General Meeting, however, no longer than until 30 June 2024.

The authorization may be used, among other things, to finance and carry out acquisitions or other corporate transactions, to engagement, in incentive systems, in order to develop the Company's capital structure, to broaden the Company's ownership base, and for other purposes as determined by the Company's Board of Directors.

The Annual General Meeting resolved to authorize the Board of Directors to decide on the issuance of shares as well as the issuance of options and other special rights entitling to shares in accordance with the proposal of the Board of Directors.

21. CLOSING OF THE MEETING

The Chair noted that all items mentioned in the notice to the meeting had been considered and that the minutes of the Annual General Meeting will be available for shareholders at the Company's headquarters and on the Company's website no later than two weeks after the meeting, i.e. no later than 9 May 2023.

The Chair closed the meeting at 12:23 pm.

In fidem:

Jukka Tanhuanpää
chair

Anna Rautioaho
secretary

Minutes scrutinized and approved:

Mikko Kesti
scrutinizer of the minutes

Juhana Kallio
scrutinizer of the minutes

APPENDICES

- Appendix 1 Summary of votes cast in advance
- Appendix 2 Invitation to the Annual General Meeting
- Appendix 3 Attendance status and list of votes
- Appendix 4 Review of the CEO
- Appendix 5 Annual accounts documents for the year 2022
- Appendix 6 Remuneration report
- Appendix 7 Remuneration policy
- Appendix 8 Rules of procedure of the Shareholders' Nomination Board