

Charter of the Board of Directors of Musti Group plc

1. General

The Board of Directors of Musti Group Oyj has adopted this Charter to govern its work as part of the Corporate Governance in Musti Group plc ("**Company**").

2. Composition of the Board and Selection of Directors

2.1 Composition of the Board

Under the Articles of Association, the Company's Board of Directors has a minimum of three and a maximum of ten members. The size, composition and diversity of the Board are assessed annually as part of the Board nomination process. The Board of Directors appoints the Chair and Vice Chair of the Board of Directors from among its members.

The Board shall comply with the criteria for qualifications, independence and diversity set out in the Companies Act and the Corporate Governance Code. The majority of the Board members shall be independent of the Company. In addition, at least two of the Board members representing this majority shall be independent of significant shareholders of the Company.

The Board shall evaluate the independence of the Board members and report which Board members it determines to be independent of the Company and which Board members it determines to be independent of significant shareholders, including the reasoning determining that a Board member is not independent. Each Board member has a duty to provide the Board with adequate information that will allow the Board to evaluate the member's qualifications and independence, and to notify the Board of any changes in such information.

2.2 Nomination Process

The Company's Board of Directors annually prepares a proposal for the composition of the Board of Directors to the General Meeting. The Company has not established a Nomination Committee, nor has the General Meeting of Shareholders established a Shareholders' Nomination Board.

3. Duties of the Board

The duty of the Board is to promote the best interests of the Company and all its shareholders. The Board will deal with all the matters pertaining to its area of responsibility in accordance with the Finnish laws, the Articles of Association of the Company as well as rules and regulations applicable to publicly listed companies in Finland.

In discharging its main duties, the Board shall, in particular:

- Annually approve the Company's strategy, budget and business plan and supervise their execution.

- Review and approve major corporate plans and transactions and establish limits for capital expenditures, investments and divestitures and financial commitments not to be exceeded without Board approval.
- Approve the Company's organizational structure and decide on any material organizational changes.
- Monitor and assess the Company's financial reporting process and oversee the integrity of financial reporting.
- Monitor the Company's financial performance and approve the Company's financial reports.
- Ensure that the Company has defined the operating principles of internal control, internal audit and risk management and monitor their effectiveness.
- Oversee the assessment and management of risks related to the Company's strategy and operations.
- Monitor the Company's audit and monitor and assess the auditor's performance and independence, and, in particular, the provision of non-audit services by the auditor.
- Appoint and decide on the dismissal of the CEO and the group management team.
- Approve the remuneration and incentives of the CEO and the group management team in accordance with the Company's remuneration policy and recommendations of the Remuneration Committee.
- Decide on the establishment of the communication strategy and the publication of important information concerning the Company's and its activities.
- Establish the principles concerning the monitoring and evaluation of related party transactions and review any potential conflicts of interest accordingly.
- Resolve on the establishment of an insider project and on the delay of disclosure in accordance with the Company's Insider Policy.
- Oversee the establishment of the Company's values to be applied in its operations.

It is the responsibility of the Board to act in good faith and with due care, exercising their business judgement on an informed basis to strive for outcomes that they believe to be in the best interest of the Company and its shareholder community as a whole.

4. Board Meetings

The Board of Directors will convene regularly, in accordance with a meeting schedule established by the Board. The Chair of the Board will ensure that the Board is convened at other times as needed. Meetings may be held also by telephone or electronically. Unanimous decisions may be recorded in the minutes on a *per capsulam* basis.

The Board meetings will have such agendas and procedures as are determined by the Chair, in consultation with the management. However, each director is free to suggest items on the agenda.

The CEO shall ensure that the Board receives adequate information on the Company's business operations, operating environment, and financial position to facilitate informed decision-making. Information and data of importance for the Board's understanding of the issues on the Board meeting agenda shall be distributed in writing to the Board sufficiently in advance of the meeting to permit a meaningful review.

The Board shall constitute a quorum when more than one-half of its members are present. Disqualified Board members shall be deemed to be absent for the purpose of calculating quorum. The opinion of the majority of the members shall constitute the decision of the Board. In the event of a tie, the Chair has the casting vote. However, if there is a tie in the election of the Chair the result shall be decided by drawing lots.

In addition to contracts, the disqualification provisions apply correspondingly to other transactions and court proceedings.

Minutes shall be prepared in English language in all Board meetings by the Secretary. The minutes of the Board meetings shall be approved at the next Board meeting and signed by the Chair, one Board member and the Secretary. The minutes shall be numbered consecutively and archived in a reliable manner. *Per capsulam* meetings shall be signed by all the members and the Secretary.

5. Duties of the Chair of the Board

Duties of the Chair of the Board include chairing the Board's meetings and managing the Board's work so that it can fulfil its duties. For this purpose, the Chair shall:

- ensure that the meetings are convened in accordance with the schedule
- ensure that the Board is convened for extraordinary meetings, if necessary
- approve the agenda prepared by the CEO and ensure that all required attendees to the meeting are invited
- ensure that the meeting minutes of meeting and decisions are appropriately documented
- communicate required matters with the Board members also between meetings, if necessary
- approve the expenses of the CEO and the Board members. The Vice Chair shall approve the expenses of the Chair.

When the Chair of the Board is unable to carry out their duties, the duties shall be carried out by the Vice Chair.

6. Board Committees

The Board has two permanent committees, the Audit Committee and the Remuneration Committee. The Board supervises the activities of the committees. The committees shall report regularly on their work to the Board.

The members and the Chairs of the committees are appointed annually from among the members of the Board.

The Board may establish other committees and working groups for duties assigned by the Board. The Board confirms the charters for the committees.

7. Prohibition to disclose insider information

The Board applies the Guidelines for Insiders published by NASDAQ Helsinki, as in force from time to time.

Insider information refers to any information relating to securities of a company, information which is precise in nature and has not been published or otherwise available in the market and which is likely to have a significant effect on the value of the said securities.

A Board member may not use insider information:

- 1) to acquire or dispose of, on their own behalf or on behalf of another, directly or indirectly, financial instruments to which the information pertains (**trading ban**)
- 2) give advice directly or indirectly to another in a transaction relating to such financial instruments (**consultation ban**)
- 3) to disclose it to a party who is not an insider in the matter (**disclosure ban**)

In acquiring and conveying the Company's securities, the companies controlled by a Board member ("controlled companies") have to comply with the same insider regulations as the Board member. In companies in which a Board member exercises influence, the Board member shall refrain from all discussion, decision and preparation of decisions with regard to Company's financial instruments.

8. Position and competence of an individual member

An individual Board member does not have, by the virtue of law, a general right based on their position to actively represent the Company or on their own initiative to take any actions assigned to the Board. Accordingly, the Board members shall refrain from all statements to the media concerning the Company. The CEO represents the Company and maintains contact with the media unless the Board decides otherwise for a specific reason.

9. Disqualification in a conflict-of-interest situation

The members of the Board shall be disqualified from considering matters pertaining to a contract between a Board member and the Company. Likewise, a Board member shall be disqualified from considering a matter pertaining to a contract between the Company and a third party if the Board member is to derive an essential benefit in the matter and that benefit may be contrary to the interests of the Company.

10. Obligation of confidentiality

A Board member is obligated to maintain confidential all information considered as the Company's business secrets. A Board member shall comply with the provisions of the Finnish Trade Secrets Act pursuant to which a person who obtains a business secret in their capacity as a member of the Board of Directors may not unlawfully use or disclose it.

In addition, the Board members undertake not to convey unpublicized verbal or written information concerning the Company to anyone outside the Company, shareholders included. To fulfil their obligation of confidentiality, the Board members further undertake not to be in touch with any individual shareholders in matters concerning the Company or to discuss with them matters concerning the Company, unless otherwise decided by the Board for a specific reason.