

**APPROVED BY THE BOARD ON APRIL 26, 2021**

## **KEMIRA AUDIT COMMITTEE CHARTER**

### **PURPOSE**

Kemira Oyj's Board of Directors has decided to appoint the Audit Committee to assist the Board in fulfilling its oversight responsibilities for the financial reporting process, the systems of internal control, internal audit and risk management, the statutory audit process and Kemira's process for monitoring compliance with laws and regulations and the Kemira Code of Conduct.

This charter lays out the authority, composition and responsibilities of the Audit Committee.

### **AUTHORITY**

The Audit Committee has authority to conduct or authorize investigations and take decisions regarding any matters within its scope of responsibility. It is empowered to:

- Meet with members of Kemira management, persons responsible for accounting matters, internal and external auditors, or outside counsel, as necessary.
- Retain independent counsel, accountants, or others to advise the Committee or assist in the conduct of an investigation.
- Seek any information it requires from employees - all of whom are entitled to cooperate with the Committee's requests - or external parties.
- Review and concur in the evaluation of the resources of the internal audit function and approve the annual internal audit plan
- Oversee the work of the external auditor.

### **COMPOSITION AND MEETINGS**

The Audit Committee consists of not less than three members of the Board of Directors.

The members shall have sufficient expertise and experience with respect to the Committee's area of responsibility and the mandatory tasks related to auditing. Further, majority of the members shall be independent of the company and at least one member shall be independent of significant shareholders. The Committee will meet at least four times a year, with authority to convene additional meetings, as circumstances require. The Chairman of the Committee shall convene the meetings upon his consideration or when instructed by the Board. The meetings can be held by phone or electronically.

The members present at the meeting shall constitute a quorum when at least two members are present at the meeting.

Meeting agendas are to be prepared and provided to the members at least four days before the meeting, along with appropriate briefing materials. The Group General Counsel shall act as the secretary to the Committee and shall prepare the minutes. The minutes of the meetings shall be reviewed at the next Committee meeting and shall be signed by the Chairman and the secretary and properly filed in the archive.

Participants in the Committee's meetings shall be the CEO, the CFO, the head of Internal Audit, the external auditor, other persons as invited by the Chairman and the Group General Counsel as the secretary.

## **RESPONSIBILITIES**

The Committee will carry out the following responsibilities:

### **Financial Statements**

- Monitor and supervise the reporting process of financial statements.
- Monitor the statutory audit of the financial statements and consolidated financial statements.
- Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- Review with management and the external auditors the results of the audit, including any difficulties encountered.
- Review the annual financial statements and consider whether they are consistent with information known to Committee members and reflect appropriate accounting principles.
- Review other relevant sections of the Annual Report
- Review interim financial statements and consider whether they are consistent with the information known to Committee members.
- Review the description of the main features of the internal control and risk management systems pertaining to the financial reporting process, which is included in the company's Corporate Governance Statement.
- Review the Corporate Governance Statement.

### **Internal Control**

- Monitor the effectiveness of Kemira's overall system of internal control.
- Understand the scope of internal and external auditors' review of internal controls related to accounting matters and financial reporting.

### **Internal Audit**

- Review and evaluate the charter, annual plans, activities and staffing of the internal audit function.
- Ensure that there are no restrictions or limitations regarding the activities of the internal audit function.
- Monitor the effectiveness of the internal audit function.
- As and when needed, meet separately with the chief auditor to discuss any matters that the committee or internal audit consider necessary.
- Approve the annual Internal Audit Plan.

### **External Audit**

- Review and evaluate the external auditors' proposed audit scope and approach.
- Review and confirm the independence of the external auditors by observing relationships between the external audit firm/auditors and Kemira group companies, including non-audit services.

- As and when needed, meet separately with the external auditors to discuss any matters that the Committee or auditors consider necessary.
- Review and evaluate the process of selecting external auditors and follow eventual regulatory changes regarding selection and rotation requirements.
- Preapprove, subject to delegation, and monitor all non-audit services to be purchased from the external audit firm/auditor as further defined in the Kemira Group Policy for Non-Audit Services.
- Prepare the proposals for the election of the external auditor and for compensation to be proposed by the Board to the AGM.

**Compliance**

- Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.
- Review the findings of any examinations by regulatory agencies, and any auditor observations.
- Review the process for communicating the Kemira Code of Conduct to company personnel, and for monitoring compliance therewith.

**Risk Management**

- Monitor the efficiency of the company's risk management systems.

**Other Responsibilities**

- Regularly report to the Board of Directors about Committee activities, issues that arise with respect to the quality or integrity of the company's financial statements, the company's compliance with legal or regulatory requirements, the performance and independence of the company's independent auditors, and the performance of the internal audit function.
- Review periodically the material legal cases in which the company is involved.
- Review the principles concerning the monitoring and assessment of related party transactions
- Institute and oversee special investigations as needed.
- Review and assess the adequacy of the Committee charter annually, requesting Board approval for proposed changes, and ensure appropriate disclosure as may be required by law or regulation.
- Perform other activities related to this charter as requested by the Board of Directors.