

**APPROVED BY THE BOARD ON MARCH 22, 2023**

## **KEMIRA OYJ**

### **CHARTER OF THE BOARD OF DIRECTORS**

#### **GENERAL**

The operations of the Company are managed under the direction of the Board, within the framework set by the Finnish Companies Act, the Articles of Association of the Company, the Finnish Corporate Governance Code and any complementary rules of procedure as may be defined by the Board.

The members of the Board ("Directors") shall act in the best interests of the Company and its shareholders. In complying with that obligation, the Directors must take into account all relevant information reasonably available to them.

The Board has established principles concerning the diversity of the Board.

#### **BOARD MEETINGS**

Board meetings shall be held regularly, at least eight times a year, based on Board's annual meeting cycle and according to a schedule decided annually in advance. Additional Board meetings shall be held as decided by the Board and/or when requested by a Director or the CEO. The meetings can be held by phone or electronically.

The Board of Directors has a quorum when more than half of the Directors are present. The opinion which has been supported by more than half of those present shall become the decision or, in the event of votes being equal, the opinion with which the Chair concurs.

Directors are expected to prepare for and use reasonable efforts to participate in all Board meetings and meetings of committees on which they serve.

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

#### **INFORMATION**

The Directors shall have access to sufficient information about the Company's business operations, operating environment and financial position. The new Directors shall be properly introduced to the operations of the Company.

The Board shall receive information monthly concerning financial performance, the market situation and significant events within the Group's operations.

#### **RESPONSIBILITIES**

The following matters shall be the principal duties of the Board:

- To review and approve the Company's strategic objectives and plans and monitor their implementation

- To review and approve annually the financial targets and forecast
- To define and approve the Code of Conduct and the key corporate policies in key management control areas like risk management, financial control, financing, internal control, information security, corporate communications and human resources
- To approve the Remuneration Policy of the Governing Bodies and the Remuneration Report
- To approve Kemira's values, the sustainability targets and the Sustainability Report.
- To define the principles for the monitoring and evaluation of related party transactions
- To approve the organizational structure of the Company and to appoint and discharge the CEO, the Deputy CEO, the members of the Audit Committee and the Personnel and Remuneration Committee as well as approve the members of the Management Board
- To approve the Company's investment policy as well as major investments and divestments
- To ensure, that supervision of the bookkeeping and the financial matters of the Company are properly organized, and to ensure proper preparation of and to approve the interim and annual financial statements of the Company and consolidated financial statements of the Group according to the local prevailing laws and regulations and International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS)
- To ensure that the Company has adequate planning, information, and control systems and resources for monitoring results and managing risks in operations.
- To monitor and evaluate the performance of the CEO and the members of the Management Board and to decide upon their remuneration and benefits
- To ensure continuation of the business operations by succession planning for key persons
- To define and approve the main principles for the incentive bonus systems within the Company
- To convene General Meetings of Shareholders
- To decide upon other significant matters not belonging to the day-to-day operations. The Board also approves the group treasury policy and accordingly the major long term loans and Company guarantees
- Other matters:
  - Review the report of the CEO on the Group's operations
  - Review the reports of the Board Committees by the Chairs of the respective committees
  - Conduct an annual evaluation of its operations and working methods
  - Approve annually the Charter of the Board
  - Conduct the independence evaluation of the Directors and report which directors are independent of the company and which are independent of the significant shareholders.
  - Other matters submitted by a Director or the CEO

## **BOARD INTERACTION WITH INSTITUTIONAL INVESTORS, RESEARCH ANALYSTS AND MEDIA**

As a general rule, management will speak on behalf of the Company. Comments and other statements from the entire Board, if appropriate, will generally be made by the Chair. Normally, each Director should refer all inquiries from third parties to management or the Chair.

**ANNUAL PERFORMANCE EVALUATION**

The Board will conduct an annual performance evaluation of its operations and working methods to ensure the efficiency and continuity of its work. The results of the evaluation will be reviewed and discussed at the Board. The results will also be presented to the shareholders' Nomination Board. The evaluation will be performed in such form as decided by the Board/Chair of the Board.

**BOARD COMMITTEES**

- The Board will establish Committees annually at its first meeting after the Annual General Meeting as it considers appropriate and appoints the Chairs and the members of the Committees
- The tasks and responsibilities of the Committees are defined in their Charters, which are annually approved by the Board
- Committees are allowed to use external consultants and experts when necessary
- Committees shall have access to all information needed.