

30.3.2023

Neova Oy

Audit Committee charter

This Audit Committee Charter was adopted by the Board of Directors (the "Board") of Neova Oy (the "Company") on 1 November 2019, and has been last amended on 31 March 2022. This Charter shall determine the composition, tasks and powers of the Audit Committee (the "Committee").

1. Purpose

The purpose of the Committee is to assist the Board in its oversight responsibilities of financial reporting processes and in monitoring the audit of the Company as well as assist the Board in oversight of financial reporting, internal control, internal audit and risk management.

The Committee shall prepare, monitor and evaluate matters pertaining to financial reporting, risk management, financial statements, interim reports, auditing of the accounts, internal audit and compliance with laws and regulations. The Committee shall not be vested with any independent decision-making powers.

The Board shall supervise the operations of the Committee.

2. Composition and Election

The Board shall elect a Chairman and two members to the Committee from among its members annually.

The Committee as a whole shall possess the expertise and experience required for performing the tasks of the Committee and at least one member shall possess expertise specifically in the field of accounting, financial reporting or auditing. The Committee as a whole shall have competence relevant to sectors in which the Company operates.

The members of the Committee shall be independent of the Company, in addition to which at least one member shall be independent of the Company's significant shareholders.

3. Main Tasks of the Audit Committee

The Committee's tasks and duties shall comprise:

- Financial Statements and Financial Reporting process
 - o monitoring the financial reporting process
 - o monitoring the Company's financial performance
 - o evaluating the impact of changes to accounting standards on the Company's financial reporting
 - o reviewing the description contained in the Corporate Governance Statement concerning the main features of the internal control and risk management systems in relation to the financial reporting processes
 - o monitoring the Company's financial standing
 - o monitoring the Company's financing position, including derivative agreements
 - o reviewing annual and interim reports before their publication

- monitoring impairment testing processes and practices
- Internal Control and Internal Audit
 - monitoring the efficiency of the Company's internal control and internal audit management systems
 - preparing for the approval of the Board the operational instructions and operating plans of internal audit and supervise the materialization thereof
 - assessing the sufficiency of the personnel and other resources of internal audit
 - ensuring that the internal audit function is independent and impartial
 - preparing matters pertaining to the appointment, dismissal and remuneration of the chief of internal audit to be decided by the Board
 - processing the plans and reports of the internal audit
- Risk management
 - monitoring the Company's risk management processes and the effectiveness of the Company's risk management systems
 - reviewing the Company's policies with respect to financial risk assessment and risk management as well as the organization responsibilities and staffing of the financial risk management
- External Audit
 - monitoring the statutory audit of the financial statements and consolidated financial statements, including commenting on the audit plan
 - evaluating the independence of the statutory auditor or audit firm and, in particular, the provision of non-audit services to the Company
 - preparing a proposal to the Annual General Meeting for the resolution regarding the appointment and remuneration of the auditor
 - liaising with the auditor and reviewing the reports the auditor has devised for the Committee
- Compliance with Laws
 - assessing compliance with laws and regulations
 - monitoring the compliance with the State Ownership Policy
 - assisting the Board in establishing principles concerning the monitoring and evaluation of related party transactions as well as monitoring and assessing how related party transactions meet the requirements of ordinary course of business and market terms
- Other responsibilities
 - monitoring the achieving of the Company's sustainability goals
 - following up on investments
 - following up on the status of strategic projects

The above list of duties is not exhaustive, and the Committee may, in addition, perform such other duties and tasks as may be assigned by the Board or deemed appropriate by the Committee for the performance of its responsibilities.

4. Meetings

The Committee shall convene in accordance with a meeting schedule prepared well in advance. The Committee shall convene at least three times a year. If necessary, the Chairman of the Committee shall convene additional meetings to be held at other times. Meetings may also be held by telephone or electronically.

The meetings shall be convened by the Chairman of the Committee. The Committee shall invite to its meetings experts necessary from the point of view of the matters to be addressed. The meeting agenda shall be prepared by the CFO together with the Chairman of the Committee.

All members of the Board may participate in the meetings of the Committee.

Minutes of meeting shall be kept of the meetings of the Committee and they shall be signed by the Chairman and secretary. The Board's secretary shall act as the Committee's secretary.

5. Reporting to the Board

The Committee reports on its work to the Board regularly and the minutes of meeting of the Committee shall be distributed to all the members of the Board.

6. Annual evaluation and review of Charter

The Committee shall conduct an annual evaluation of its performance and working methods. The Committee shall review its Charter when necessary and propose necessary changes thereto to the Board for approval.

Version 1.2	Approved by the Board	30.3.2023
Version 1.1	Amended by the Board	31.3.2023
Version 1.0	Original version approved by the Board	1.11.2019