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Business identity code:	0116173-8 (Finland)	Level:	Group-wide
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## CHARTER OF THE BOARD OF DIRECTORS' AUDIT COMMITTEE OF BOREO OYJ

This Charter of the Board of Directors' Audit Committee (the "**Charter**") was originally approved by the Board of Directors of Boreo Oyj ("**Boreo**" or the "**Company**") on 25 September 2020.

### 1 Purpose

The Board of Directors has established the Audit Committee (the "**Committee**") to support the Board of Directors in maintaining the integrity of the Boreo group's financial reporting and the Board of Directors' control functions. The primary purposes of the Committee are to:

- Assist the Board of Directors in fulfilling its oversight responsibilities of the Boreo group's financial reporting processes and in monitoring the audit of the Boreo group; and
- Assist the Board of Directors in its oversight of matters pertaining to financial reporting, sustainability reporting, internal control, internal audit and risk management of the Boreo group.

### 2 Composition

The Committee shall comprise three to four members appointed by the Board of Directors, including the Chairman of the Committee (the "**Chairman**"). The Chairman will be appointed by the Board of Directors.

The members of the Committee shall meet the independence and expertise as well as other criteria applicable to Audit Committee members of public listed companies in Finland. The majority of the members shall be independent of the Company as defined in the Corporate Governance Code 2020. In addition, at least one of the members comprising this majority shall be independent of significant shareholders of the Company.

The Committee shall consist of nonexecutive members only. The Committee members shall have adequate expertise and experience taking into account the Committee's responsibility area and mandatory duties related to audit gained through education, research or experience. At least one Committee member shall have competence in accounting or auditing.

The members of the Committee may be removed or replaced and any vacancies of the Committee will be filled by the Board of Directors.

### 3 Meetings

A majority of the members of the Committee shall constitute a quorum. The decision shall be made with a simple majority, the Chair having the casting vote.

The Chairman, in consultation with the Committee members, shall determine the schedule and frequency of the Committee meetings, and shall set meeting agendas in consultation with the group executive management and other relevant parties. The Committee shall meet at least four times per year.

The Committee shall meet separately (other parties not present) with the representatives of the group executive management and with the auditor in the normal Committee meetings or separately at least twice a year. Same applies to internal auditors, if such a role is in use. The Committee members shall also meet at least once per year without members of the group

executive management present. The Committee meetings may also be held by web conference, telephone or electronically.

#### **4 Duties and Responsibilities**

The responsibilities of the Committee include:

- monitoring and assessing the financial reporting and sustainability reporting processes of the Boreo group;
- monitoring the quality and integrity of the financial statements and other financial reports, as well as sustainability reports, of the Boreo group;
- monitoring the statutory audit of the financial statements and consolidated financial statements and assurance of the sustainability reporting of the Boreo group;
- monitoring and assessing the effectiveness of the Boreo group's internal control, internal audit, and risk management systems;
- evaluation of the performance of the internal audit in relation to the Boreo group;
- evaluation of the qualifications and performance of the auditor;
- monitoring and assessing the independence of the auditor and the auditor's provision of non-audit services; and
- preparation of the proposal for the election of the auditor and sustainability assurance partner; and
- prepares and reviews other tasks given by the Board of Directors to the Committee.
- the Chairman shall report regularly to the Board of Directors and shall submit the minutes of its meetings to the Board of Directors.

#### **5 Authority**

The Committee has the authority to take appropriate actions necessary to perform its duties. Such actions may include:

- Information requests from employees or external parties;
- Meetings with auditors and group executive management; or
- Meetings without group executive management.

The Chairman of the Board of Directors shall approve the engagement of external advisors.

#### **6 Committee Charter Revision**

The Committee shall review and reassess the adequacy of this Charter annually and propose any changes it considers necessary to the Board of Directors for approval. The Committee shall conduct an annual evaluation of its performance and working methods and report to the Board of Directors on the results of such evaluation.