



**CORPORATE GOVERNANCE  
STATEMENT 2018**

## CORPORATE GOVERNANCE STATEMENT 2018

Kamux Corporation's ("the company" or "Kamux") corporate governance complies with the Finnish Limited Liability Companies Act, regulations concerning listed companies, the company's Articles of Association, and rules and regulations of Nasdaq Helsinki Ltd. The company also adheres to the Finnish Corporate Governance Code 2015 issued by the Finnish Securities Market Association. An unofficial English translation of the Finnish Corporate Governance Code is available on the Security Market Association's website at <https://cgfinland.fi/>.

The Corporate Governance Statement is issued as a separate statement from the Report by the Board of Directors. The statement will not be updated during the financial year, but the relevant information related to the subjects it contains as well as other necessary and up-to-date investor information is available in the investor section of the company's website at [www.kamux.com](http://www.kamux.com).

### Governing bodies of Kamux

The governing bodies of Kamux are its General Meeting of shareholders, the Board of Directors and the CEO. The highest decision-making power in Kamux is exercised by the company's shareholders at the General Meeting. The Board of Directors and the CEO are responsible for the management of the company. The Management Team assists the CEO in operative management of the company and the Group.

### General Meeting

The General Meeting of shareholders is the highest decision-making body of Kamux. The Annual General Meeting

shall be held once a year by the end of June. It decides on matters in its authority, stipulated in the company's Articles of Association and on proposals made to the Board. The Annual General Meeting normally takes place in March-April. An Extraordinary General Meeting can be convened if needed. The Board of Directors is required to organize an extraordinary meeting if requested in writing by a company auditor or shareholders holding a minimum of 10 percent of the company's shares in total for the purpose of discussing a specific issue.

### The duties of the General Meeting are defined in Kamux's Articles of Association and include:

- > Decisions on changes to the Articles of Association;
- > Adoption of financial statements;
- > Use of the profit shown on the balance sheet;
- > Discharging the members of the Board of Directors and the CEO from liability;
- > Decision on the number of members of the Board of Directors;
- > Election of the Board of Directors and the decision on their remuneration;
- > Election of the auditor and the decision on his/her compensation.

The notice convening the General Meeting shall be delivered to the shareholders by publishing the notice on the company's website or by a newspaper announcement which is published in one or several widely circulated daily newspapers chosen by the Board of Directors, no earlier than three months and no later than three weeks before the

meeting, and in any case at least nine days before the record date. The notice of the General Meeting and the Board's proposals for the meeting are also published as a stock exchange release.

The notice of the meeting, the documents to be presented at the General Meeting and the proposals for the decisions of the Board of Directors or other decision-making bodies will also be available on the company's website no later than 21 days before the General Meeting.

### Board of Directors

The Board of Directors is responsible for the governance of the company and the appropriate organization of its operations. The Board of Directors oversees the appropriate organization of the company's accounting and supervision of financial management. The Board of Directors has an Audit Committee and can establish also other permanent committees.

Under Kamux's Articles of Association, the Board of Directors shall comprise a minimum of four and a maximum of eight members, who shall be elected at a General Meeting. The term of all Board members expires at the end of the Annual General Meeting following their election.

### Charter of the Board of Directors

The main duties of the Board of Directors are defined in the written Charter drafted by the Board. Under the Charter and the Finnish Limited Liability Companies Act, the duties of the Board of Directors include among others:

- > Preparing the Board of Directors' reports, financial statements and interim reports;
- > Ensuring the appropriate arrangement and control of accounts and finances;
- > Preparing proposals to be addressed in a General Meeting and convening a General Meeting;

- > Approving and adopting strategic guidelines and risk management principles;
- > Adopting annual budgets and action plans;
- > Appointing the CEO and deciding on the terms of his or her service;
- > Deciding on the company structure;
- > Deciding on major acquisitions and investments;
- > Deciding on other statutory matters that fall within the purview of the Board.

The Board of Directors conducts an annual self-evaluation of its operations and working methods. The self-evaluation was carried out also for 2018.

The Board of Directors convenes regularly ten times a year and arranges additional meetings if needed. The Board of Directors convenes for a strategy meeting at least once a year to approve the company's long-term strategic goals, amongst other things. The members of the Management Team who regularly attend Board meetings include the CEO and the CFO, who are not Board members. The Board of Directors constitutes a quorum when more than one-half of its members are present. The decisions of the Board require a simple majority. In case of a tie vote, the decision will be based on the opinion with which the Chairperson of the meeting concurs.

### Diversity of the Board

Kamux's Board of Directors has adopted a diversity policy. Kamux's diversity policy promotes balanced gender diversity when electing Board members and includes Board members having skills and experience in different business areas that complement each other and support the company's core functions. The diversity of the Board of Directors is supported by the diverse professional and educational background of members as well as consideration for the age distribution.

A person elected as a member of the Kamux Corporation's Board of Directors must have qualifications required for the task and skills fitting the competence profile of Kamux's Board of Directors, as well as adequate availability for carrying out the duties of a Board member. When electing Board members, the goal is to ensure that the Board of Directors as a whole supports the development of Kamux Corporation's current and future business.

### The Board of Directors in 2018

During 1 January-26 April 2018, members of the Board of Directors of Kamux were Matti Virtanen (Chairperson), Reija Laaksonen, David Nuutinen, Jokke Paananen, Harri Sivula and Vesa Uotila. In the Annual General Meeting held on 26 April 2018, Matti Virtanen, Reija Laaksonen, David Nuutinen, Jokke Paananen, Harri Sivula and Vesa Uotila were re-elected as members of the Board. The Annual General Meeting elected Matti Virtanen as Chairperson of the Board and Harri Sivula as Vice Chairperson of the Board.

In 2018, the Board of Directors focused particularly on Kamux's internationalization and growth.

In 2018, the Board of Directors convened 17 times in total, with an average attendance rate of 94 per cent. The members attended the meetings as follows: Matti Virtanen (17/17), Reija Laaksonen (17/17), David Nuutinen (17/17), Jokke Paananen (15/17), Harri Sivula (15/17) and Vesa Uotila (15/17).

The diversity goals defined in Kamux's diversity policy are evaluated to be adequately realized in 2018.

## BOARD OF DIRECTORS ON 31 DECEMBER, 2018



### MATTI VIRTANEN

b. 1958, M.Sc. (Tech.), Finnish national  
Chairperson of the Board of Directors 2016–, mem-  
ber of the Board of Directors 2016–  
Independent of the company's significant share-  
holders  
Holdings on 31 December 2018: 135,610 shares

#### Key work experience:

- CEO and Managing Partner of Virtanen Consulting GmbH 2003–
- Group CEO of Norpe Oy 2010–2016
- CEO of Perlos Oy 2006–2008
- Vice President of Solectron Corporation and CEO of Solectron EMEA area 2004–2005
- Vice President of Hewlett-Packard & Compaq Computer 1990–2003
- Executive positions with Nokia 1984–1990

#### Positions of trust:

- Chairperson of the Board of Akaasia Invest AG 2010–
- Chairperson of the Board of Akaasia Oy 1993–
- Member of the Board of Sponstore Oy 2015–
- Chairperson of the Board of HopLop Holding Oy 2018–
- Chairperson of the Board of Roima Intelligence Oy 2019–



### REIJA LAAKSONEN

b. 1973, M.Sc. (Econ.), Finnish national, member of  
the Board of Directors 2017–  
Independent of the company and the company's  
significant shareholders  
Holdings on 31 December, 2018: 4,348 shares

#### Key work experience:

- Director, Head of Branding and Digital Marketing Of Fazer Group 2018–
- Head of Digital at Fazer Confectionery 2015–2018
- Head of Marketing at Fazer Confectionery 2014–2015
- Vice President of Brand management, Marketing and Media at Fazer 2013–2014
- Director of Media Design at Fazer 2012–2013
- Media Director at Unilever Nordic in Stockholm 2009–2012
- Various positions at Unilever Nordic and Unilever Finland Oy 2000–2009

#### Positions of trust:

- Member of the Board of Media Audit Finland Oy 2013–2015
- Member of Advertisers association 2009– and Chairman of the sourcing committee of Advertisers association 2017–
- Vice Chairperson, Member of the Board of Directors of Marketing Executives Group 2018–
- Member of the Board of Directors of Stella Koti-palvelut Oy 2018–



### DAVID NUUTINEN

b. 1959, M.Sc. (Econ.), Finnish national  
Member of the Board of Directors 2012–, Chairper-  
son of the Board of Directors 2012–2016  
Independent of the company and of the company's  
significant shareholders  
Holdings on 31 December, 2018: 25,400 shares

#### Key work experience:

- CEO of DN Advisory Oy 2017–
- CEO of Cloetta AB (publ.) 2015–2016
- CEO of Cloetta Suomi Oy 2013–2015
- CEO of Leaf Suomi Oy 2005–2013
- Commercial Director of Leaf Suomi Oy 2003–2005
- Consultant of PepsiCo Beverages International 2003 and Franchise Director 2000–2002
- Operations Director of McDonald's Finland 1996–2000
- Various positions at Vaasa Mills Ltd/Cultor Group Finland 1986–1996

#### Positions of trust:

- Chairperson of the Board of Leader Foods Oy 2018–
- Member of the Board of EasySoda Finland Oy 2017–
- Member of the Board of Splizzeria Oy 2014–2015
- Member of the Board of DNA 2010–2012
- Chairperson of the Board of the Chocolate, Sugar, Confectionery and Biscuit Industries Association of the Finnish Food and Drink Industries Federation 2005–2012
- Member of the Board of Turun Vapaavarasto Oy 2005–2012
- member of commercial practise action group of the Finnish Association of Advertisers 2005–2009
- Member of the Board of Upo-kodinkoneet Oy 1998–2000



### JOKKE PAANANEN

b. 1972, M.Sc. (Econ.), Finnish national  
Member of the Board of Directors 2011–  
Independent of the company  
Holdings on 31 December, 2018: 0 shares

#### Key work experience:

- Partner and CEO Intera Partners Oy 2013–
- Investment Director of CVC Capital Partners 2005–2007, before that Assistant Director of Industri Kapital

#### Positions of trust:

- Member of the Board of Intera Partners Oy 2007–
- Member of the Board of Roima Intelligence Group Oy 2018–
- Chairperson of the Board of RGE Holding Oy, 2014–2015 and member of the Board 2015–2018
- Member of the Board of Evidensia Eläinlääkäri-palvelut Oy (formerly Animagi Oy) 2013–2015
- Member of the Board of Normek Group Oy 2008–2017
- Consti Yhtiöt Oyj:n hallituksen jäsen 2008–2009



### HARRI SIVULA

b. 1962, M.Sc. (Admin.), Finnish national  
Member of the Board of Directors 2017–  
Independent of the company and the company's  
significant shareholders  
Holdings on 31 December, 2018: 35,000 shares

#### Key work experience:

- CEO of Tokmanni Group 2017–2018
- CEO of GS1 Finland Oy 2015–2017
- CEO of Restel Oy 2011–2014; Executive Vice President of Restel Oy 2010
- CEO of Onninen Oy 2006–2010
- Various management positions at Kesko Corpora-tion 1987–2006

#### Positions of trust:

- Member of the Board of TylöHelo AB 2017–2018
- Chairperson of the Board of MyOpt Consulting Oy 2017–2018
- Member of the Board of GS1 Finland Oy 2016–
- Member of the Board of Makua Foods Oy 2016–
- Member of the Board of Dieta Group Oy 2016–
- Member of the Board of Leipurin Plc 2010–2013 and 2014–
- Member of the Board of Tokmanni Group Plc 2012– and Chairperson of the Board of Tokmanni Group Plc 2012–2018
- Member of the Board of Atria Plc 2009–



### VESA UOTILA

b. 1982, M.Sc. (Econ.), Finnish national  
Member of the Board of Directors 2016–, Deputy  
member of the Board of Directors 2011–2016  
Independent of the company  
Holdings on 31 December, 2018: 0 shares

#### Key work experience:

- Partner of Intera Partners Oy 2015–, investment professional 2010–
- Management Consultant at McKinsey & Company, Inc 2008–2010

#### Positions of trust:

- Member of the Board of Normek Group Oy 2017–
- Member of the Board of Normek Kiinteistö Oy 2016–
- Member of the Board of KE Holding Oy 2014–
- Chairperson of the Board and CEO of Paulatum Oy 2010–
- Deputy member of the Board of Kreate Oy 2014
- Deputy member of the Board of Delete Group Oy 2012–2013
- Member of the Board of PHX Invest Oy 2006–2008
- Auditor of Studentwork Sharper Oy 2006–2008

### **Independence of the Board of Directors**

According to the Corporate Governance Code, a majority of the Board members shall be independent of the company, with at least two of these members also being independent of the major shareholders of the company.

The Board of Directors shall assess annually the independence of its members in relation to the company and its major shareholders. In 2018, members of Kamux's Board of Directors were assessed to be independent of the company in accordance with the Finnish Corporate Governance Code for listed companies, except for Matti Virtanen and David Nuutinen, and independent of shareholders, except for Jokke Paananen and Vesa Uotila. Matti Virtanen holds a consultancy agreement with Kamux through his company Virtanen Consulting GmbH. David Nuutinen held a consultancy agreement through his company DN Advisory Oy until September 30, 2017. Jokke Paananen and Vesa Uotila are partners of Intera Partners Oy.

### **Audit Committee**

The Board of Directors appoints an Audit Committee to assist it in the performance of its supervisory duties. The Board appoints from its members at least three members to the Committee. Members of the Audit Committee must have qualifications required for the task and shall be independent of the company, with at least one member being also independent of the major shareholders of the company.

The Board has defined the duties of the Audit Committee in its adopted Charter. In accordance with the Charter, the duties of the Audit Committee include assisting the Board in

ensuring appropriate supervision of the company's accounting and financial management, as well as ensuring that the company has an adequate internal control system in place covering all of its operations. Furthermore, the Audit Committee is responsible for monitoring that the company's operations and internal control are organized in compliance with laws, regulations and principles of good management and administration, and for supervising the implementation of internal audits.

The Audit Committee is responsible for:

- Monitoring the reporting process of financial statements and interim reports;
- Supervising the financial reporting process;
- Monitoring and evaluating the efficiency of internal control, internal auditing and risk management systems;
- Handling the descriptions of the main features of the internal control and risk management systems pertaining to the financial reporting process;
- Monitoring the statutory audit of the financial statements and consolidated financial statements, evaluating the resources and independence of the statutory auditor, and preparing a proposal for resolution on the election of the auditor;
- Reviewing the company's financial position and procurement processes;
- Evaluating compliance with laws, regulations and ethical principles;
- Monitoring the company's credit position and taxation;
- Reviewing the company's Corporate Governance Statement, and addressing and resolving any special issues raised by the Board of Directors that fall within the purview of the Audit Committee.

The Chairperson of the Audit Committee shall convene the Committee at least four times a year. The Audit Committee reports the decisions made in its meetings regularly to the Board.

### **Audit Committee in 2018**

The Board of Directors of Kamux established an Audit Committee in the organizing meeting following the Annual General Meeting 26 April, 2018. The Board appointed from its members Harri Sivula (Chairperson), Reija Laaksonen and Vesa Uotila to the Committee. All members are independent of the company, with Harri Sivula and Reija Laaksonen being also independent of the company's major shareholders.

In 2018, the Audit Committee focused on interim reports, internal controls and risk management.

In 2018, the the Audit Committee established in April convened three times. The members attended the meetings as follows: Harri Sivula (3/3), Reija Laaksonen (3/3) and Vesa Uotila (3/3).

### **CEO**

The CEO's task is to manage Kamux's operations in accordance with the instructions and rules given by the Board of Directors, as well as to report to the Board of Directors on the development of Kamux's business and financial situation. The CEO's duties include preparing matters to be decided by the Board of Directors, developing Kamux's operations together with the Board of Directors in accordance with the mutually set objectives, and ensuring the appropriate implementation of the decisions made by the Board of Directors. The CEO is also responsible for organizing Kamux's day-to-day governance and overseeing that the company's financial

management is organized in a reliable manner. In addition, the CEO ensures that Kamux complies with applicable laws and regulations. The CEO chairs the meetings of Kamux's Management Team. The CEO cannot be elected as Chairperson of the Board of Directors.

The Board of Directors appoints, and dismisses if needed, the CEO, and decides on the remuneration and other terms and conditions of the position of CEO. The CEO is appointed for the post until further notice. The financial benefits of the CEO are reported in the separate Remuneration Report of Kamux Corporation for 2018.

Juha Kalliokoski serves as the CEO of Kamux Corporation, appointed by Kamux's Board of Directors.

### **Management Team**

The Management Team supports the CEO in implementing the company's strategy and manages Kamux's business operations as a whole. The members of Kamux's Management Team have specific authority in their individual areas of responsibility, and their duty is to develop Kamux's operations in line with the targets set by the company's Board of Directors and CEO. The Management Team convenes regularly each month or when necessary.

In 2018, the Management Team focused particularly on enabling the company's growth, building the skills of employees and improving the company's customer experience.

## MANAGEMENT TEAM 31 DECEMBER, 2018

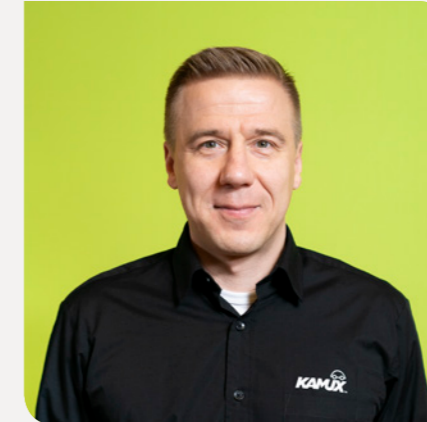


### TERO TÖRMÄNEN

Kamux's Purchasing Director and Member of the Management Team 2017–  
b. 1974, b. 1974, vocational Qualification in Business and Administration, Executive Development Program for Automotive Industry, Finnish national Holdings on 31 December, 2018: 52,174 shares

#### Key work experience:

- Sales Director of LänsiAuto 2016–2017
- Helsinki Area Region Manager of LänsiAuto 2014–2016
- Espoo Branch Manager of LänsiAuto 2009–2014
- Sales Manager of trade-in cars at AutoJalonen/LänsiAuto, Espoo 2004–2009
- Salesperson of trade-in cars at AutoJalonen/LänsiAuto, Espoo 1997–2004
- Employee at Törmänen Auto 1989–1997



### TOMMI IISKONMÄKI

Kamux's Country Director Finland 18 June, 2018–, HR Director until 1 October, 2018 and Member of the Management Team 2015–  
b. 1977, Officer from the Finnish National Defence University, Finnish national Holdings on 31 December, 2018: 37,947 shares

#### Key work experience:

- Director of Human Resources of CHS Group and Managing Director of Temprow Oy 2011–2015
- Assistant Chief of Department of the Army Academy of the Finnish Defence Forces 2010–2011
- Watchkeeper of the European Union Forces in Chad/CAR 2008–2009
- Cadet Course Director of the Army Academy of the Finnish Defence Forces 2008–2010
- Section Leader of the Army Academy of the Finnish Defence Forces 2003–2008
- Instructor officer at the Reserve Officer School of the Finnish Defence Forces 2001–2003
- Entrepreneur 1995–1997



### SATU OTALA

Kamux's Director of Communications and Member of the Management Team 2015–  
b. 1967, M.A., Finnish national Holdings on 31 December, 2018: 37,501 shares

#### Key work experience:

- Marketing Director of Suomen Terveystalo Oy 2009–2011
- Marketing Director of Fonecta Oy 2007–2009
- Marketing Manager of ISS Palvelut Oy 2003–2007
- Communications Consultant at Viestintä Oy Preemio 2002–2003
- Account Director and copywriter/journalist at OnePartner Oy advertising agency 2000–2002
- Training Manager and Deputy Head of Department at Adulta Oy 1992–2000

#### Positions of trust:

- Member of the Supervisory Board at Ilkka-Yhtymä Corporation 2010–
- Member of the Board of Teollisuuden Vesi 2016–2018



### JUHA KALLIOKOSKI

Kamux's CEO and Member of the Management Team 2001–  
b. 1970, police officer, degree in salesmanship training, Finnish national Holdings on 31 December, 2018: 5,807,357 shares

#### Key work experience:

- Local Director of Forssan Laatuauto 2000–2003
- Sales Manager and Partner of Skapat Oy 1999–
- Car Salesman and Sales Manager of Oy Autokuvio Ab 1994–1999
- Junior Constable of Forssa police district 1992–1994
- Representative of Edustusliike Juha Kalliokoski representative business and entrepreneur 1990–1991

#### Positions of trust:

- Member of the Board of Stofix Oy 2014–2019
- Member of the Board of Silmäasema Fennica Oy 2014–2017



### TAPIO ARIMO

Kamux's CFO and Member of the Management Team 2015–26.4.2019 (Arimo announced in January 2019 that he is moving to new tasks outside of Kamux.)  
b. 1972, M.Sc. (Econ.), MBA, Harvard Business School Program for Leadership Development, Finnish national Holdings on 31 December, 2018: 276,038 shares

#### Key work experience:

- Director of channel operations in the Microsoft Mobile Sales Operations department of Microsoft Corporation 2014–2015
- Finance Director in the Smart Devices unit of Microsoft Corporation / Nokia Corporation 2012–2014
- Finance Director in different units of Nokia Corporation 2005–2011
- Nokia Corporation Mobile Phones, Entry Business Line Business Controller 2004–2005
- Manager, Mergers and Acquisitions at Nokia Corporation 2000–2004
- Analyst at Goldman Sachs International Investment Banking Division 1997–2000

#### Positions of trust:

- Member of the Board of Blueberry Capital 2015–



### OLLI KILPI

Kamux's Director of International Business and Member of the Management Team 2017–  
b. 1966, M.Sc. (Econ.), Finnish national Holdings on 31 December, 2018: 28,459 shares

#### Key work experience:

- CEO of Svenska McDonald's AB 2014–2016
- CEO of McDonald's Norge AS 2009–2013
- Marketing Director of Svenska McDonald's AB 2007–2009
- Director of Marketing and Communications at McDonald's Oy 2004–2007
- Nordic Marketing Director of Henkel Norden Laundry & Homecare Division 1998–2004
- Various positions at Procter & Gamble 1993–1998



### MIKKO-HEIKKI INKEROINEN

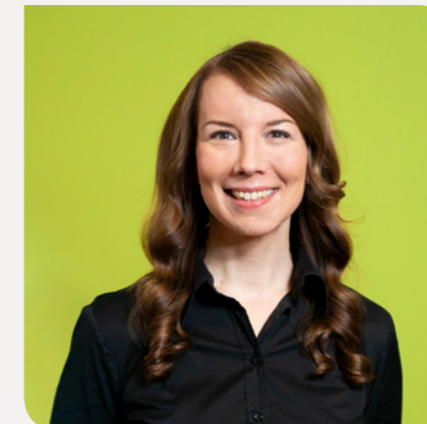
Kamux's Chief Digital Officer and Member of the Management Team 24 February, 2018–  
b. 1987 Master of Social Sciences, Finnish national Holdings on 31 December, 2018: 420 shares

#### Key work experience:

- Head of Digital Commerce of Power International (former AS Expert AS) 2015–2018
- Marketing & E-commerce Manager, Member of Company Steering Group of Expert ASA Oy, 2010–2015

#### Positions of trust:

- Member of the Board and Member of the Audit and Remuneration Committee of Marimekko 2015–
- Member of the Board of Suomen Kierrätysyhteisö Oy 2014–2015
- Member of the Board of Finnish Conscript Union 2008–2009
- Member of the Board of the Union of Finnish Upper Secondary School Students 2006–2007



### JENNIE STENBOM

Kamux's Chief People Officer and Member of the Management Team 1 October, 2018–  
b. 1975, Master of Science in Education, several Hanken & SSE Executive Education and London Business School management programs, Finnish national Holdings on 31.12.2018: 0 shares

#### Key work experience:

- Kesko Oyj Senior Vice President, People and Culture 2017–2018
- Kesko Oyj Vice President, HR and Communications 2014–2017
- Kesko Oyj Corporate HR Manager 2011–2013, Development Manager 2008–2010
- Orion Oyj HRD and talent management lead, HR business partner 2006–2008
- Orion Oyj HR ERP Program lead 2003–2006
- Orion Oyj Senior HR Specialist 2002–2003, HR Specialist 2001–2002
- University of Turku, Centre for Extension Studies Education Coordinator 1999–2001



### ILKKA VIRTANEN

Kamux's Director of Business Development and Member of the Management Team 1 November, 2018–  
b. 1980, M.Sc. (Econ.), Finnish national Holdings 31 December, 2018: 1,000 shares

#### Key work experience:

- Santander Consumer Finance Oy, Commercial Director of Auto Finance 2017–2018
- Veho Oy Ab, Director of Business Development & Financing 2015–2017
- Veho Group Oy Ab, Director of After Sales and Financing 2012–2015
- Veho Autotalot Oy, Manager of Development and Financing 2010–2012
- Compass Management Partners Oy, Management Consultant, Project Manager 2008–2010
- Accenture Oy, Consultant, Management Accounting (SAP) 2006–2008

### **Main principles of risk management**

The aim of risk management is to ensure the keeping of customer promises, profit development, the ability to pay dividends, shareholder value, responsible operating practices and the continuity of business. Kamux has harmonized and efficient methods to identify, assess and manage risks and their consequences.

Kamux complies with the internal control and risk management principles approved by the company's Board of Directors. Risk management is a systematic activity, the purpose of which is to guarantee comprehensive and appropriate identification, assessment, management and monitoring of risks. It is an essential part of Kamux's planning and management process, decision-making, day-to-day management, operations, and supervision and reporting procedures. Risks are assessed and managed comprehensively from the perspective of potential business impacts.

The Group CEO and other members of the Management Team are each responsible for their own areas. The Management Team regularly reports to the Board of Directors on risks and risk management measures. The Board of Directors addresses the most significant risks and measures to manage them, and assesses the efficiency and effectiveness of risk management. The CFO is responsible for coordinating risk management.

Kamux has documented its common operating principles in the company's Code of Conduct. The Code of Conduct is part of risk management. Kamux also has a separate guideline for its partners.

### **Internal control and auditing**

The objective of internal control at Kamux is to ensure the efficiency and profitability of business operations, the reliability of financial reporting, compliance with laws and regulations applicable to the company's business, and compliance with the company's internal instructions. The specific objective of the internal control of financial reporting is to ensure that interim reports, half-year reports, financial statement bulletins and other financial reporting as well as financial statements and annual reports are reliable and are prepared in accordance with the accounting and reporting principles adopted by the company.

The company's Board of Directors is responsible, in accordance with its Charter, for monitoring the process of financial reporting and the effectiveness of the company's internal control and risk management system. The CEO is responsible for the practical organization of internal controls. This includes ensuring that the company has implemented adequate internal control mechanisms as stipulated in the guidelines defined by the Board of Directors.

The CEO, supported by the Management Team, is responsible for ensuring that the Group's day-to-day operations comply with the agreed principles and applicable laws and regulations, and that identified non-compliance incidents and deficiencies are addressed and that adequate corrective measures are taken.

In 2018, the development of internal control focused on automating internal controls as part of Kamux's systems and developing business processes and related controls in Germany.

Kamux's Board of Directors has assessed that due to the nature of the company's operations, the number of employees and geographical scope, it is not necessary to organize internal auditing as a separate function. The Board of Directors shall evaluate on a yearly basis whether such function should be established. The company's Board of Directors may use either internal or external resources to carry out specific internal audit assignments.

### **Audit**

The statutory audit covers the company's accounting, financial statements and administration for the financial year. The auditor of the parent company shall also audit the consolidated financial statements. The auditor provides the company's shareholders with a statutory auditor's report in connection with the company's annual financial statements and regularly reports their auditing observations to the Board of Directors. Kamux's financial year is the calendar year.

According to the company's Articles of Association, the company's auditor shall be an auditing organization approved by the Central Chamber of Commerce. The auditor is elected at the Annual General Meeting of shareholders for a term that ends at the conclusion of the Annual General Meeting following the election.

### **Audit in 2018**

The Annual General Meeting re-elected PricewaterhouseCoopers Oy as the auditor, with CPA Janne Rajalahdi as the principal auditor announced by PricewaterhouseCoopers Oy. PricewaterhouseCoopers Oy has acted as the auditor of Kamux since 2015.

The auditor is paid a fee according to an invoice approved by the company. In 2018, the auditors were paid a total of EUR 177,000 for auditing services and a total of EUR 400,000 for other advisory services unrelated to auditing. Other services are primarily related to financial advisory services in different situations, including tax advisory and financial analysis related to strategic projects.

### **Insider management**

Kamux Corporation observes the guidelines for insiders approved by the Board of Directors, which is based on the Market Abuse Regulation, the Guidelines for Insiders of Nasdaq Helsinki Ltd, and other applicable rules and regulations.

The CFO is responsible for insider matters at Kamux Corporation. The company compiles a list of permanent insiders and also maintains a list of project- or event-specific insiders as needed. The insider lists are maintained in the SIRE service of Euroclear Finland Ltd.

People in management positions at Kamux and their immediate circle are required to declare their business transactions in shares of Kamux Corporation or other financial instruments based on them. People in management positions at Kamux and possible permanent insiders defined by Kamux may not, on their own account or on the account of a third party, carry out business transactions in the shares of Kamux Corporation or other financial instruments based on them during the silent period. The silent period begins 30 days before the publication day of the Kamux financial statement bulletin, half-year report, interim report or

preliminary information thereof, including the publication day.

Kamux has an internet-based reporting channel that enables anonymous reporting of suspected infringement of rules and regulations concerning financial markets.



**KAMUX CORPORATION**

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