

## **ASIAKASTIETO GROUP PLC**

### **CORPORATE GOVERNANCE PRINCIPLES 16 MARCH 2015**

Asiakastieto Group Plc (the “**Company**” or “**Asiakastieto**”) is a Finnish public limited liability company. The shares of the Company have been applied to be listed on NASDAQ OMX Helsinki Ltd on the date of this document.

The Company’s governance is subject to the Finnish Companies Act, the Finnish Securities Markets Act, the Accounting Act, the rules of NASDAQ OMX Helsinki Ltd as well as the Company’s Articles of Association. In addition, Asiakastieto complies with the Finnish Corporate Governance Code issued by the Securities Market Association in 2010 (the “**CG Code**”). The CG Code is available at [www.cgfinland.fi](http://www.cgfinland.fi). Compliance with the CG Code is based on a comply-or-explain principle, whereby deviations from the CG Code shall be explained and disclosed. After the term of the new board member Anni (Anna-Maria) Ronkainen commences in connection with the listing, the Company does not deviate from any of the recommendations of the CG Code.

The Company’s Corporate Governance Statement is available on the Company’s website [investors.asiakastieto.fi](http://investors.asiakastieto.fi).

#### **Group structure**

The parent company of the group is Asiakastieto Group Plc. The domicile of the Company is Helsinki, Finland. The Company consists of the parent company Asiakastieto Group Plc, its wholly-owned subsidiary Suomen Asiakastieto Oy, and two wholly-owned subsidiaries of Suomen Asiakastieto Oy.

The Company’s governance is organised through the General Meeting, the Board of Directors and the Chief Executive officer. Further, the Company has an Executive Team led by the Chief Executive Officer.

#### **General Meeting**

The General Meeting is Asiakastieto’s highest decision-making body and normally convenes once a year. Its tasks and procedures are defined in the Finnish Companies’ Act and the Company’s Articles of Association. Certain important matters, such as amending the Articles of Association, approval of the financial statements, approval of the dividend, election of the members of the Board of Directors and the auditors fall within the sole jurisdiction of the General Meeting.

The General Meeting is convened by the Board of Directors. The Annual General Meeting shall be held within six (6) months of the end of the financial year. An Extraordinary General Meeting shall be held whenever the Board of Directors deems necessary, the auditor of the company or shareholders with at least 10 % of the shares so demand in writing in order to deal with a given matter, or if this is otherwise required by law.

The General Meeting handles the matters presented on the agenda by the Board of Directors. According to the Finnish Companies Act a shareholder may also request that his/her proposal be handled at the next General Meeting. Such a request shall be made in writing to the Company’s Board of Directors at the latest on the date specified by the Company on its website. The request is always deemed to be on time, if the Board of Directors has been notified of the request no later than four (4) weeks before the delivery of the notice of the General Meeting.

According to the Company’s Articles of Association notices of the General Meetings shall be published on the Company’s website no more than three months before the record date pursuant to the

Limited Liability Companies Act (eight working days before the General Meeting) and at the latest three weeks before the General Meeting, however, always at least nine days before the said record date. In addition, the Board of Directors may decide to publish the notice in full or in part in an alternative manner as it deems appropriate. The notice shall contain information on the matters to be handled at the General Meeting and other information required under the Companies Act and the CG Code.

The notice of the General Meeting, documents to be submitted to the General Meeting (e.g. financial statements, report by the Board of Directors, auditor's report) and the resolution proposals to the General Meeting are made available on the Company's website at least three (3) weeks before the General Meeting.

The minutes of the General Meeting are published on the Company's website within two (2) weeks after the General Meeting. In addition, the decisions of the General Meeting are also published by means of a stock exchange release immediately after the General Meeting. The documents related to the General Meeting are available on the Company's website at least for a period of three (3) months after the General Meeting.

Shareholders may attend a General Meeting either in person or by proxy. Notification regarding attending a meeting must be made by the date mentioned in the notice to the General Meeting.

Only shareholders, who are registered in Asiakastiето's shareholders' register maintained by Euroclear Finland Ltd on the record date (i.e. eight (8) working days before the General Meeting) are entitled to attend a General Meeting. Holders of nominee registered shares may be registered temporarily in said shareholders' register and therefore, they are advised to request from their custodian banks necessary instructions regarding such temporary registration and the issuing of proxy documents. A proxy representative shall produce a dated proxy document or otherwise in a reliable manner demonstrate his/her right to represent the shareholder.

The Board of Directors may decide that the shareholders may participate in the General Meeting by post or telecommunications or by other technical means.

Asiakastiето has one series of shares. Each share has one vote in all matters dealt with by a General Meeting. A shareholder shall have the right to vote at the General Meeting, if he/she has registered to participate in the meeting by the date specified in the notice to the General Meeting, which date shall not be earlier than ten (10) days before the meeting. A shareholder may at the General Meeting vote with different shares in a different manner and a shareholder may also vote with only part of his/her shares. The Articles of Association of Asiakastiето include no redemption clauses or voting limitations.

Most resolutions by the General Meeting require a simple majority of the votes cast at the meeting. In an election, the person receiving the highest number of votes shall be deemed elected. The General Meeting may, however, prior to an election, decide that to be elected, a person shall receive more than half of the votes cast. However, there are several matters, which according to the Companies Act require a two-third (2/3) majority of the votes cast and of the shares represented at the meeting.

The Chairperson of the Board of Directors and a sufficient number of members of the Board and its committees as well as the CEO shall attend the General Meeting. In addition, the auditor shall be present at the Annual General Meeting. A person proposed for the first time as member of the Board shall participate in the General Meeting that decides on his or her election unless there are well-founded reasons for the absence.

The Annual General Meeting was held on 24 February 2015 with the sole shareholder of the Company participating.

## **Shareholders' Nomination Board**

Based on the proposal by the Board of Directors, the sole shareholder of the Company resolved on 10 March 2015 to establish a Shareholders' Nomination Board for an indefinite period to prepare proposals to the Annual General Meeting for the election and remuneration of the members of the Board of Directors and the remuneration of the Board Committees and the Nomination Board. According to the charter of the Nomination Board, it shall comprise representatives of the three largest shareholders of the Company and, in addition, of the Chairperson of the Board and a person nominated by the Company's Board of Directors as expert members.

The right to nominate the shareholder representatives lies with those three shareholders whose share of all the voting rights in the Company is on 31 May preceding the next Annual General Meeting the largest on the basis of the shareholders' register of the Company held by Euroclear Finland Ltd. However, holdings by a shareholder who, under the Finnish Securities Market Act, has the obligation to disclose its shareholdings (flagging obligation) that are divided into several funds or registers, will be summed up when calculating the share of all the voting rights, provided that such shareholder presents a written request to that effect to the Chairperson of the Company's Board of Directors no later than on 30 May preceding the next Annual General Meeting.

The aforementioned shareholders appoint, in accordance with the Charter of the Nomination Board, from the request of the Chairperson of the Company's Board of Directors their representatives to the Nomination Board after 31 May.

## **Board of Directors**

The Board's role is to manage the Company's business in the best possible way and in their work protect the interests of the Company and its shareholders. In accordance with the Articles of Association of Asiakastieto, the Board of Directors shall consist of a minimum of four (4) and a maximum of eight (8) members elected by the General Meeting. The members of the Board of Directors shall be appointed for one year at a time. The Shareholders' Nomination Board prepares a proposal on the composition of the Board to the Annual General Meeting for its decision.

Asiakastieto's Board members shall be professionally competent and as a group have sufficient knowledge of and competence, inter alia, in the Company's field of business and markets. The majority of the directors shall be independent of the Company. In addition, at least two of the directors, representing the aforementioned majority, shall be independent of significant shareholders of the Company.

The Board has general authority to decide on and act in any matters not reserved by law or under the provisions of the Articles of Association to any other governing body of the Company. The Board of Directors is responsible for the management of the Company and its business operations. Additionally, the Board is responsible for the appropriate arrangement of the bookkeeping and financial administration.

The operating principles and main duties of the Board of Directors have been defined in the Charter for the Board of Directors and include, among other things, to:

- establish business objectives and strategy,
- appoint, continuously evaluate and, if required, remove the CEO from office,
- ensure that there are effective systems in place for monitoring and controlling the Group's operations and financial position compared to its stated objectives,

- ensure that there is satisfactory control of the Company’s compliance with laws and other regulations applicable to the Company’s operations, and
- ensure that the Company’s external disclosure of information is marked by openness and is correct, timely, relevant and reliable, by way of, among other things, adopting a disclosure policy.

By the resolution of the sole shareholder on 10 March 2015, Daniel Lopez-Cruz, Gilbert Kamieniecky, Bo Harald and Petri Carpén were appointed as old members to the Board of Directors and Anna-Maria Ronkainen was appointed as a new member to the Board of the Directors. According to the resolution, the new Board of the Directors will commence its term on the date of listing.

Based on an evaluation by the Board of Directors pursuant to the Finnish Corporate Governance Code, all members of the Company’s new Board of Directors are considered to be independent of the Company. In addition, Bo Harald, Petri Carpén and Anna-Maria Ronkainen are considered to be independent of major shareholders and Daniel Lopez Cruz and Gilbert Kamieniecky are considered to be non-independent of major shareholders.

Personal details on the Board members are set forth in the table below:

<b>Name</b>	<b>Birth year</b>	<b>Position</b>	<b>Education</b>	<b>Occupation</b>	<b>Positions of trust</b>
Daniel Lopez-Cruz	1965	Chairman, since 2011	Master’s degree in law, Master’s degree in economics and MBA	Director of Investcorp International Limited	Chairman of the Board of Directors: Suomen Asiakastieto Oy:n, Pigments Spain S.L:n Deputy Chairman of the Board of Directors: Icopal Holding A/S:n Member of the Board of Directors: Print Holdings B.V:n, Investcorp International Limited, Investcorp Securities Limited
Gilbert Kamieniecky	1981	Member (from 4 September 2014)	Masters in international relations and BSc in business studies	Director of Investcorp International Limited	Member of the Board of Directors: Suomen Asiakastieto Oy, Dainese Spa, Sentinel BidCo Limited, Eviivo Limited
Bo Harald	1948	Member (from 22 December 2014)	Master of Arts (Pol.sc)	CEO of Why-Advisory Oy	Chairman of the Board of Directors: Oy Transmeri Group Ab, ZEF Oy Member of the Board of Directors: Why-Advisory Oy, Suomen Asiakastieto Oy
Petri Carpén	1958	Member (from 22 December 2014)	Master’s degree in law	Vice president of Nets Oy	Member of the Board of Directors: Suomen Asiakastieto Oy
Anni (Anna-Maria) Ronkainen	1966	Member (as of the listing)	Master’s degree in economics	Chief Digital Officer of Kesko Oyj (from April 2015)	Member of the Board of Directors: Markkinointi-Instituutin Kannatusyhdistys Ry AmCham Finland
Jukka Ruuska	1961	Member (until the	Master’s degree in law	CEO of Asiakastieto	Member of the Board of Directors:

		listing)	and MBA	Group Oyj	Affecto Oyj, B10 Varainhoito Oy, Oy Pörssitalo-Börshuset Ab Member of the Supervisory Board: Suomen Kansallisteatterin Osakeyhtiö
Mikko Parjanne	1949	Member (until the listing)	Master's degree in economics	-	Member of the Supervisory Board: LocalTapiola General Mutual Insurance Company Member of the Advisory Board: the Foundation of Orienteering Finland

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The performance of the Board is evaluated annually.

Meetings of the Board of Directors are convened by its Chairperson. The Board of Directors constitutes a quorum when more than half of the members appointed by the General Meeting are present at the meeting. When votes are cast, the majority opinion will be the Board's decision and, in the case of a tie, the Chairperson will have the casting vote.

The Board of Directors is always obliged to act in the Company's interests and in such a way that its acts or measures are not likely to produce unjustified benefit to any shareholder or other third party at the cost of the Company or another shareholder.

A Board member is disqualified from participating in the handling of a matter pertaining to a contract or other transaction between the Board member and the Company or of such matter where the member is to derive an essential benefit and that benefit may be contrary to the interests of the Company. In principle, a Board member may not participate in the handling of a matter if the Board member is involved in the matter under assessment in another capacity.

The Board of Directors shall convene as frequently as necessary to discharge its responsibilities. The Chief Executive Officer ensures that the Board is provided with sufficient information to assess the operations and financial situation of the group.

The secretary of the Board of Directors is Juuso Jokela.

### **Board Committees**

The Board annually appoints an Audit Committee and Nomination and Remuneration Committee and may also appoint other permanent Committees if considered necessary at its organization meeting following the Annual General Meeting. The composition, duties and working procedures of the Committees shall be defined by the Board in the Charters confirmed for the Committees. The Committees regularly report on their work to the Board.

#### *Audit Committee*

The Audit Committee consists of at least three (3) members, all of which shall be Board members who are independent of the Company and shall have the qualifications necessary to perform the responsibilities of the Committee. At least one member shall be independent of the significant shareholders and at least one member shall have expertise specifically in accounting, bookkeeping or auditing. All members of the Committee shall be versed in financial matters.

According to its Charter, the Audit Committee assists the Board in fulfilling its supervisory responsibilities and also prepares certain accounting and auditing matters to be handled by the Board. In addition, the Audit Committee makes recommendations for the election and removal of the external auditors and for their compensation and approves the external auditors' audit plan based on the auditors' proposal. Among its other duties, the Audit Committee reviews and monitors the financial reporting process, the efficiency of the system of internal control and risk management, and the audit process.

Petri Carpén serves as the Chairperson of the Audit Committee and Gilbert Kamieniecky and Anna-Maria Ronkainen serve as members of the Audit Committee.

#### *Nomination and Remuneration Committee*

The Nomination and Remuneration Committee consists of at least three (3) members, majority of which shall be Board members who are independent of the Company. Representatives of the Company's senior management may not be members of the Committee.

According to its Charter, the Nomination and Remuneration Committee assists the Board in the efficient preparation and handling of the matters pertaining to the appointment and dismissal of the senior management and their remuneration. The Committee shall also assess the need for bonus or other incentive programs as well as is responsible for the design of the Company's compensation schemes.

Daniel Lopez-Cruz serves as the Chairperson of the Nomination and Remuneration Committee and Bo Harald and Gilbert Kamieniecky serve as members of the Nomination and Remuneration Committee.

#### **Chief Executive Officer**

The Chief Executive Officer ("CEO") of Asiakastieto is appointed by the Board. The CEO is in charge of the day-to-day management of the Company. The duties of the CEO are governed primarily by the Finnish Companies Act. The CEO leads the operational activities and prepares information and decisions to support the Board and presents his findings at Board meetings.

In accordance with the Finnish Companies Act, the CEO has a right to decide himself on certain urgent matters which otherwise would have required a Board decision. Jukka Ruuska is the CEO of the Company.

Jukka Ruuska (born 1961) has been an Executive Team member since 2011 and was appointed as Asiakastieto Group Plc's CEO as of 2012. He currently serves as a member of the board of Affecto Oyj, B10 Varainhoito Oy, and Oy Pörssitalo-Börshuset Ab and as a member of the Supervisory Board of Suomen Kansallisteatterin Osakeyhtiö. He has served as a member of the Board of Directors Asiakastieto Group Plc, Destia Oy, Midsommarkransen Ab and PMF Carry Oy. His previous positions also include President of Nordic Exchange Oyj, Deputy CEO of OMX Abp, Senior Partner at CapMan and Head of Corporate Planning at Elisa Corporation. He holds a LL.M from University of Helsinki and MBA degrees from Helsinki University of Technology.

#### **Executive Team**

The Company has an Executive Team consisting of Jukka Ruuska, Heikki Koivula, Eija Onkalo, Jouni Muhonen, Mikko Karemo, Teija Rantanen-Leppo, Petri Vahermaa ja Risto Kallio. The members of the Executive Team are appointed by the Board based on a proposal by the CEO, which is initially reviewed by the Nomination and Remuneration Committee. The members of the Executive Team report to the CEO.

The Executive Team members handle the issues that concern managing of the group in their respective areas and on the basis of the guidance provided by the Board of Directors. The Executive Team meets one to two times per month, or as required, and supports the CEO in, for example, the preparation and execution of strategic matters, operating plans, matters of principle and any other significant matters. The Executive Team also assists the CEO in ensuring the flow of information and sound internal co-operation.

The following table presents details of the management team members:

<b>Name</b>	<b>Birth year</b>	<b>Position</b>	<b>Appointed</b>
Jukka Ruuska	1961	CEO	2011
Heikki Koivula	1974	Deputy-CEO and Head of BI	2010
Eija Onkalo <sup>1)</sup>	1953	CFO	2001
Jouni Muhonen	1968	Head of CI	2013
Mikko Karemo	1971	Sales Director, Head of Certificates and Analyses	2012
Teija Rantanen-Leppo	1963	Head of CM	2001
Petri Vahermaa	1958	CIO	2008
Risto Kallio	1961	Head of Service Production	2004

<sup>1)</sup> Eija Onkalo will retire from the Company at end of September 2015 at the latest.

## **Remuneration**

The remuneration of the members of the Board of Directors, the Board Committees and the Shareholders' Nomination Board is decided by the Annual General Meeting of Asiakastiето based on a proposal by the Shareholders' Nomination Board.

The Board of Directors decides on the remuneration of the CEO. The remuneration of the senior management, i.e. members of the Executive Team, is decided by the Board based on a proposal by the CEO, which is initially reviewed by the Nomination and Remuneration Committee.

In accordance with the Finnish Corporate Governance Code the Company publishes its Remuneration Statement on the Company's website.

## **Auditor**

The main function of the statutory audit is to verify that the financial statements provide true, accurate and sufficient information on the Asiakastiето Group's performance and financial position for the financial year. The Asiakastiето Group's financial year is the calendar year. The auditor's responsibility is to audit the correctness of the Group's accounting in the respective financial year and to provide an auditor's report to the General Meeting. In addition, Finnish law requires that the auditor also monitors the lawfulness of the Company's administration. The auditor reports to the Board of Directors at least once a year.

The Audit Committee prepares a proposal on the appointment of Asiakastiето's auditors, which is then presented to the AGM for its decision. The compensation paid to the auditors is decided by the AGM and assessed annually by the Audit Committee.

Pursuant to Article 8 of the Company's Articles of Association, the Company must have one auditor that is a company of public accountants approved by the Central Chamber of Commerce of Finland. The term of the Auditor of the Company shall end at the close of the Annual Meeting following the election. The Company has appointed PricewaterhouseCoopers Oy, Authorised Public Accountants as its auditor. PricewaterhouseCoopers Oy has appointed Mr Juha Tuomala, Authorized Public Accountant, as the principal responsible auditor.

### **Internal control and risk management in relation to financial reporting**

The Company complies with a policy approved by the Company's Board of Directors for the management of risks. The objective of Risk Management is to secure profitable performance of the Company and to ensure the continuity of the business by executing risk management in a cost-effective and systematic manner in the different functions of the company. Risk management is part of Asiakastieto's strategic and operative planning, daily decision-making process and internal control.

The Board of Directors is eventually in charge for Asiakastieto's governance and the appropriate organisation of operations. The Board of Directors approves the policies and instructions concerning internal control, risk management and governance. The Board of Directors determines the company's risk-taking level and risk bearing ability and reassesses these on a regular basis.

Risk Management covers all activities that are related to the objectives being achievable and consistent with the strategy, to the identification, measuring, assessment, processing, reporting and control of risks and to the reaction to risks.

The CEO is in charge of internal control and the risk management process and their continuous development, resourcing of work and revising of risk management principles as well as specification of operational principles and total processes. The CEO reports to the Audit Committee and the Board of Directors on risk management and internal control.

The duty of the CFO is to make sure and control that the bookkeeping and financial reporting practices of the group are in accordance with the law and that the financial and management reporting is reliable. Asiakastieto has no specific internal audit organisation. This has been taken into consideration in the content and extent of the annual audit plan.

Asiakastieto has adopted the ISO 9001-based quality system. This describes the Company's principal processes and related controls, by means of which the units can control and develop their process risk management. The controls of bookkeeping and financial reporting are depicted in the rules and instructions of the financial department.

### **Compliance with laws and regulation**

It is the policy of Asiakastieto to comply throughout the organization with all applicable laws and regulations and to maintain an ethical workplace for its officers and employees as well as an ethical relationship with its customers, suppliers and other business partners.

In its insider administration Asiakastieto follows the Guidelines for Insiders issued by NASDAQ OMX Helsinki Ltd complemented by the Company's own Insider Guidelines approved by the Board. The Company maintains its public and company-specific insider registers in the SIRE system of Euroclear Finland Ltd. In accordance with the law, Asiakastieto's public insiders include the members of the Board (and their deputies, if any), the CEO and his deputies (if any) and the auditor responsible for the audit of the Company. In addition, based on a decision made by Asiakastieto's Board of Directors, the Executive Team is also included in the public insider register. Asiakastieto's register of company-specific permanent insiders includes individuals who are defined by the Company and who have regular access to inside information due to their position in the Company.

According to Asiakastieto's Insider Guidelines, persons listed as permanent insiders shall always obtain a prior approval for trading in the Company's securities from the Company's Insider Officer. Said permanent insiders may not in any event trade in the Company's securities after the end of each calendar quarter until the day after the publication of the (quarterly) interim report or annual result (Closed Window). The Closed Window shall, however, always include at least the three weeks immediately preceding the publication of the (quarterly) interim report or annual result and the date of publication of such report.

A project-specific insider register is also maintained when required by law or regulations. Project specific insiders are prohibited from trading in the Company's securities until the termination of the project.

### **Shareholders' Agreements**

The Company is not aware of any shareholders' agreements regarding the shares of the Company.