



CORPORATE GOVERNANCE STATEMENT



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INTRODUCTION

Basware Corporation (“the Company”) is a public listed company registered in Finland, with its headquarters located in Espoo, Finland. Basware Group (“Basware” or “the Group”) is comprised of the parent company Basware Corporation and its Finnish and foreign subsidiaries. Decision-making and governance of the Group comply with the Company’s Articles of Association, the Finnish Companies Act, and other applicable legislation. In addition, the Company complies with the Nasdaq Helsinki Ltd’s Guidelines for Insiders. The Company’s subsidiaries comply with local legislation.

This Corporate Governance Statement has been composed in accordance with Chapter 7, Section 7 of the Finnish Securities Markets Act and the reporting requirements of the Finnish Corporate Governance Code 2020 issued by the Finnish Securities Market Association (available at <https://cqfinland.fi/en/>). Basware complies with the Code.

The Corporate Governance Statement is issued separately from the report of Board of Directors. Both the report and this

statement are included in the Company’s annual report, which is available at Basware [investor website](#). This Corporate Governance Statement has been reviewed at the meeting of the Audit Committee of Basware’s Board of Directors on 24 November 2021.

DESCRIPTION OF THE COMPANY’S GOVERNANCE

The General Meeting of Shareholders, Board of Directors and CEO are responsible for the management of Basware Corporation and their tasks are determined as specified in the Finnish Companies Act. The CEO is responsible for Group-level operational activity, assisted by the Group’s Executive Team.

Annual General Meeting

The Annual General Meeting is the highest decision-making body of the Company. The Annual General Meeting is arranged

once a year on the date determined by the Board of Directors and held within six (6) months of the end of the financial period. Extraordinary General Meetings can be arranged during the year, if necessary.

In accordance with the Articles of Association, the Annual General Meeting is held in a place determined by the Board of Directors, either in Espoo, Helsinki or Vantaa. The Annual General Meeting deals with and takes decisions on proposals to the Annual General Meeting and other matters in accordance with the Finnish Companies Act and the Company’s Articles of Association, which are available at Company’s investors pages.

A shareholder registered by the record date in the Company’s list of shareholders maintained by Euroclear Finland Ltd have the right to attend the General Meeting.

In 2021, the Annual General Meeting was held in Espoo on 18 March 2021.

Board of Directors

In accordance with the Articles of Association, the Company's Board of Directors has a minimum of four (4) and a maximum of eight (8) regular members. The Board members are elected by the Annual General Meeting for one term of office at a time. The term of office begins at the end of the General Meeting that elected the Board and expires at the end of the first Annual General Meeting following the election. The Articles of Association place no restrictions on the power of the General Meeting to elect members for the Board of Directors. The Board of Directors elects a Chair and a Vice Chair from among its members, and the Board of Directors is deemed to have a quorum present when more than half of its members are present.

The Board of Directors of Basware Corporation is responsible for the Company's management and the appropriate arrangement of its operations. The Board supervises the Company's operations and management and decides on significant matters concerning the company strategy, organization, financing and investments. The duties and responsibilities of the Board are defined primarily by the Articles of Association and the Finnish Companies Act. The Board annually ratifies rules of procedure that specify the meeting procedures of the Board and its tasks. The rules of procedure are published in its entirety on the Company's investors pages.

The Board of Directors assesses the independence of the board members and reports who are independent of the Company and who are independent of its significant shareholders. All current members of Board of Directors are independent of the Company. All members of the Board of Directors are independent of major shareholders.

Diversity Principles of the Board

The Board of Directors of Basware has in its meeting on 13 December 2016, defined and approved the diversity principles for the Board of Directors. The diversity principles can be found on the Company's [investors pages](#).

According to the diversity principles, both genders shall be represented on the Board of Directors and the aim of the Company is to strive towards an appropriately balanced gender distribution. The mix of diverse financial and technical backgrounds of Board Members and extensive international experience in various leadership and board positions gives good foundation to the diversity of the Board of Directors. The duration of office of the Board Members is also divided so that the mix of new and long-term Board members is balanced.

The educational backgrounds and experience of the Board members represent multiple disciplines and diversity, and several members also have experience in international business operations. Both genders are represented in Basware Board of Directors.

BOARD OF DIRECTORS ON 31 DECEMBER 2021

In 2021, Basware's Board of Directors had five members until March 2021: Michael Ingelög (Chair of the Board), Ilkka Sihvo (Vice Chair of the Board), Daryl Rolley, Asko Schrey, and Minna Smedsten. From March 2021, Basware's Board of Directors had six members: Michael Ingelög (Chair of the Board), Ilkka Sihvo (Vice Chair of the Board), Daryl Rolley, Minna Smedsten, Carl Farrell and Jonathan Meister.



Michael Ingelög

(b. 1971)

- Chair of the Board of Directors
- Member of the Remuneration Committee, the Audit Committee and the Nomination Board
- Swedish citizen
- Economics and Business Administration studies
- Entrepreneur and a private investor in Financial Technology and Venture Capital with several board memberships
- Board member at IAR Systems AB
- Independent of the company and its significant shareholders
- Own and controlled corporations' ownership: 8,347 shares



Ilkka Sihvo

(b. 1962)

- Vice Chair of the Board of Directors
- Chair of the Remuneration Committee
- Finnish citizen
- MSc in Economics and MSc in Technology (Engineering)
- CEO, Solaforce Ltd and CEO Softaforce Ltd
- Independent of the company and its significant shareholders
- Own and controlled corporations' ownership: 887,300 shares



Minna Smedsten

(b. 1976)

- Member of the Board of Directors
- Chair of the Audit Committee
- Finnish citizen
- MSc in Economics
- CFO, Taaleri Plc
- Board member at Municipality Finance Plc
- Independent of the company and its significant shareholders
- Own and controlled corporations' ownership: 1,135 shares



Daryl Rolley

(b. 1967)

- Member of the Board of Directors
- Member of the Remuneration Committee
- US citizen
- BSc in Chemical Engineering
- MBA, The Wharton School of the University of Pennsylvania
- CEO, Mediat LLC
- Advisory Board Member, DDD Foundation
- Independent of the company and its significant shareholders
- Own and controlled corporations' ownership: 3,786 shares

BOARD OF DIRECTORS ON 31 DECEMBER 2021



Carl Farrell

from 18 March 2021

(b. 1961)

- Member of the Board
- Member of the Audit Committee
- British and Canadian citizen
- Wulfrun College Wolverhampton, England
- Audit Chair and Board member at Sabio Inc.
- Remuneration Chair and Board member at CloudCall
- Board Member at Dalet S.A.
- Independent of the company and its significant shareholders
- Own and controlled corporations' ownership: 538 shares



Jonathan Meister

from 18 March 2021

(b. 1966)

- Member of the Board
- Member of the Audit Committee
- American citizen
- BSc in Finance and Marketing
- Chair of the Board, Make a Difference Ministries/Camp Highland
- Independent of the company and its significant shareholders
- Own and controlled corporations' ownership: 538 shares

MEETINGS OF THE BOARD AND ITS COMMITTEES IN 2021

The Board meets generally on a monthly basis. Additional meetings are held when necessary. In 2021, the Board of Directors held 18 meetings, the Audit Committee 4 meetings and the Remuneration Committee 7 meetings.

MEMBERS	Independence of the Company	Independence of major shareholders	Board (Meeting attendance)	Audit Committee (Meeting attendance)	Remuneration Committee (Meeting attendance)
Ilkka Sihvo	Yes	Yes	Vice Chair (18/18)		Chair (7/7)
Michael Ingelög	Yes	Yes	Chair (18/18)	Member (4/4)	Member (7/7)
Asko Schrey	Yes	Yes	Member (3/3)	Member until 18 March 2021 (0/1)	
Daryl Rolley	Yes	Yes	Member (18/18)	Member until 18 March 2021 (0/1)	Member (7/7)
Minna Smedsten	Yes	Yes	Member (17/18)	Chair (4/4)	
Carl Farrell	Yes	Yes	Member as of 18 March 2021 (15/18)	Member as of 18 March 2021 (3/4)	
Jonathan Meister	Yes	Yes	Member as of 18 March 2021 (15/18)	Member as of 18 March 2021 (3/4)	

Committees of the Board of Directors

The Board of Directors has established among its members the Audit Committee and the Remuneration Committee to assist the full Board in its work. Considering the scope and nature of Company's operations, as well as Board's working methods, it has not been deemed necessary to establish other committees.

Audit Committee

The Audit Committee will oversee the financial reporting process to ensure the balance, transparency and integrity of published financial information. The Committee will also review the effectiveness of the company's internal financial control and risk management systems, the Company's audit functions and the Company's process for monitoring compliance with laws and regulations affecting financial reporting and, if applicable, its code of business conduct. The Audit Committee works in accordance with its charter confirmed by the Board of Directors, and the Committee reports to the Board on each meeting. The charter is published in its entirety on the Company's investors pages.

The Audit Committee consists of a minimum of three (3) members of the Board. The Board elects the members and the Chair of the Audit Committee from among its members at the organizational meeting for a term of one (1) year. The majority of the members of the Audit Committee shall be independent of the Company and at least one (1) member shall be independent of significant shareholders. Each member shall have the qualifications necessary to perform the responsibilities of the Committee and at least one (1) member must have accounting or auditing expertise.

Audit committee in 2021

In 2021, the Audit committee consisted of four (4) members of the Board of Directors: Minna Smedsten was elected as the Chair and Carl Farrell, Jonathan Meister and Michael Ingelög as members of the Committee. Minna Smedsten acted as the Chair of the Audit Committee and Asko Schrey and Daryl Rolley as members of the Committee until 18 March 2021.

The Audit Committee meets at minimum four (4) times during its term and additionally as necessary. In 2021 the Audit Committee has held three (3) meetings and one (1) meeting still during its term in January 2022.

Remuneration Committee

The Remuneration Committee will prepare the nomination of the CEO and shall identify successor candidates. The Committee further discusses with CEO and gives guidance on Executive Team member appointments and succession.

The Committee evaluates the activities of CEO and Executive Team, prepares salaries and other benefits of the company's CEO, gives guidance to CEO on Executive Team members' salaries and benefits and overall prepares matters concerning the company's compensation schemes, including planning of share-based, option-based and other incentive schemes.

The Remuneration Committee works in accordance with its charter confirmed by the Board of Directors, and the Committee reports to the Board on each meeting. The charter of the Remuneration Committee is published in its entirety on the Company's investors pages.

The Committee will comprise of at least two (2) members. The Board shall appoint the Committee members and the Chair of the Committee for a term of one (1) year at its organizational meeting. The majority of members shall be independent of the Company and at least one (1) member shall be independent of significant shareholder. Each member shall have the qualifications necessary to perform the responsibilities of the Committee.

Remuneration committee in 2021

In 2021, the Remuneration Committee consisted of three (3) members of the Board of Directors: Ilkka Sihvo was elected as the Chair and Daryl Rolley and Michael Ingelög as the members of the committee. Ilkka Sihvo acted as the Chair and Michael Ingelög and Daryl Rolley as members of the Committee until 18 March 2021.

Meetings shall convene as necessary by invitation of its chair or the request of the Board of Directors or the CEO. In 2021, the Remuneration Committee held seven (7) meetings.

Shareholders' Nomination Board

The Annual General meeting, held on 15 March 2016, decided to establish a permanent Shareholders' Nomination Board in accordance with the proposal of the Board of Directors. The Nomination Board shall be responsible for preparing and presenting proposals covering the remuneration and number of members of the Company's Board of Directors as well as the proposal on the members of the Board of Directors to Annual General Meeting and, where needed, to an Extraordinary General Meeting. The Nomination Board shall also be responsible for identifying successors for existing Board members.

The Nomination Board consists of four (4) members, three (3) of which are appointed by the Company's three (3) largest shareholders. The chair of the Company's Board of Directors serves as the fourth member.

The Company's largest shareholders entitled to appoint members to the Nomination Board shall be determined annually on the basis of the registered holdings in the Company's shareholders' register held by Euroclear Finland Ltd as of the first weekday in September in the year concerned, or on the basis of separate shareholding information presented by nominee registered shareholders.

As regards individual persons as shareholders, their direct ownership and ownership of corporations over which he/she exercises control as well as ownership of his/her spouse and children, will be taken into account in the determination. If a shareholder who has distributed his/her holdings e.g. into several funds and has an obligation under the Finnish Securities Markets Act to take these holdings into account when disclosing changes in share of ownership makes a written request to such effect to the Chair of the Board of Directors no later than on the weekday prior to the first weekday in September such shareholder's holdings in several funds or registers will be combined when calculating the shares which determine the nomination right. A nominee registered share-

holder shall, within the same time limit, present to the Chair of the Company's Board of Directors a sufficient evidence on the amount of shareholding of such nominee registered shareholder as well as a request that such shareholding would be taken into account in connection with the appointment of Nomination Board members.

The Chair of the Company's Board of Directors shall request each of the three (3) largest shareholders established on this basis to appoint one (1) member to the Nomination Board. In the event that a shareholder does not wish to exercise their right to appoint a member, it shall pass to the next-largest shareholder that would not otherwise be entitled to appoint a member. In case two (2) shareholders have an equal number of shares and votes and the representatives of both such shareholders cannot be appointed to the Nomination Board, the decision between them shall be made by drawing lots.

The Nomination Board serves until further notice, unless the General Meeting decides otherwise. Its members shall be elected annually and their term of office shall end when new members are elected to replace them.

Composition of the Shareholders' Nomination Board in 2021

In 2021, the Nomination Board consisted of the following members:

- **Brian Nelson**, Long Path Partners LP
- **Hjalmar Ek**, Lannebo Fonder AB
- **Ilkka Sihvo**
- **Michael Ingelög**, Chair of the Board of Directors of Basware Corporation

MEMBERS	Shareholders Nomination Board (Meeting attendance)
Brian Nelson	Chair (4/4)
Hjalmar Ek	Member (4/4)
Ilkka Sihvo	Member (4/4)
Michael Ingelög	Member (4/4)

CEO and Executive Team

The Board of Directors appoints the CEO. The CEO oversees the management of the Company's business operations and governance in accordance with the Articles of Association, the Finnish Companies Act and the instructions given by the Board. Pursuant to Finnish Companies Act, as his general duties, the CEO is responsible for arranging the executive management of the company in accordance with the instructions and orders given by the Board of Directors. Further, according to the Finnish Companies Act, the CEO is responsible for arranging that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner.

The Executive Team supports the CEO in managing the Company's business, but it does not have any authority based on legislation or the Articles of Association. The Executive Team comprises of the CEO (Chair) and persons appointed at the proposal of the CEO.

All Basware Executive Team members report to the CEO of Basware Corporation.

EXECUTIVE TEAM ON 31 DECEMBER 2021



Klaus Andersen

(b. 1964)

- Chief Executive Officer
- Danish citizen
- MSc in Engineering
- Key professional experience:
Executive Vice President, Global Engineering, Itiviti AB, 2015–2018
Senior Vice President, SimCorp, and Managing Director of SimCorp Coric Ltd, 2014–2015
Senior Vice President, SimCorp, and Managing Director of SimCorp UK Ltd, 2008–2014
- Positions of trust: Chairman of the board, Tacton AB, 2021–
- Own and controlled corporations' ownership: 18,984 shares



Martti Nurminen

(b. 1979)

- Chief Financial Officer
- Finnish citizen
- MSc in Finance
- Key professional experience:
Chief Financial Officer, Solteq Plc, 2018–2019
Chief Financial Officer, Affecto Plc, 2016–2017
Finance director, Johnson Controls Inc, 2013–2015
Group Controller, IBM Global Technology Services (GTS) Europe, 2011–2012
- Own and controlled corporations' ownership: 0 shares



Jane Broberg

(b. 1966)

- Chief Human Resources Officer
- UK citizen
- Business studies
- Key professional experience:
Vice-president, Human Resources, Global Sales, Marketing and Financing Services, Basware, 2013–2015
VP Human Resources, Professional Services, Basware, 2011–2013
Human Resources Director, Europe, Basware 2010–2011
Senior Programme Lead Resource & Capability, British Petroleum Plc, 2008–2011
Senior HR Manager, SAP UKI Ltd, 2006–2008
- Own and controlled corporations' ownership: 5,482 shares



Lars Madsen

(b. 1974)

- Chief Marketing Officer
- Danish citizen
- MSc in Business & Quality Management
- Key professional experience:
Marketing Director, Canon UK & Ireland, 2014–2016
Program Director, EMEA Corporate Transformation Programme, Canon Europe, 2014–2014
Business Strategy & Development Director EMEA, Canon Europe, 2009–2014
Strategic Planning Manager EMEA, Canon Europe, 2007–2009
- Own and controlled corporations' ownership: 7,896 shares

EXECUTIVE TEAM ON 31 DECEMBER 2021



Perttu Nihti

(b. 1974)

- Chief Product Officer
- Finnish citizen
- MSc in Engineering
- Key professional experience:
Senior Vice President, Head of Products, Basware, 2019–2020
Vice President, Product Management, Basware, 2014–2019
Vice President, Strategy, Basware, 2012–2014
Manager, August Associates, 2011–2012
Head of Strategy/Operations, Nokia MeeGo Computers, 2009–2011
- Own and controlled corporations' ownership: 2,197 shares



Mogens Pedersen

(b. 1969)

- Chief Technology Officer
- Danish citizen
- MSc in Engineering
- Key professional experience:
Head of Cloud Centre of Excellence, SimCorp Denmark, 2018–2020
Various management positions in Denmark and abroad
- Own and controlled corporations' ownership: 1,500 shares



Alwin Schauer

from 1 September 2021

(b. 1976)

- Chief Revenue Officer
- German citizen
- Dipl. in Engineering (University of Applied Sciences)
- Key professional experience:
Chair of the Management Board and Senior Vice President: Germany, Austria and Switzerland, Software AG, 2020–2021
Area Vice President Cloud sales: EMEA, Salesforce, 2017–2020
Senior Regional Vice President Cloud Sales: Emerging markets, ESMB, Germany, Benelux and Nordics, Salesforce, 2016
Regional Vice President Cloud Sales: Germany, Benelux and Nordics, Salesforce, 2015
Senior Account Executive: Austria and Switzerland, Salesforce, 2013–2014
- Own and controlled corporations' ownership: 0 shares

In 2021, Paul Taylor (until 31 March 2021) and Jussi Vasama (until 23 June 2021) were members of the Basware Executive Team.

DESCRIPTION OF INTERNAL CONTROL PROCEDURES AND THE MAIN FEATURES OF RISK MANAGEMENT SYSTEMS

Overview of the risk management systems

General principles of the risk management and relationship of risk management process with internal control

Risk management is an integral part of internal control. The Group's risk management is guided by legal requirements, business requirements set by the shareholders as well as the expectations of customers, personnel and other important stakeholders. Risk management refers to identification, assessment, measurement, monitoring and mitigating of risks that are fundamentally related to or part of the Company's business.

The aim of the risk management is to identify the risks relevant to the Company's business operations and to define the measures, responsibilities and time schedules required for effective risk management. The risk management process is aligned with other governance and management processes and the results achieved are used systematically as part of operative planning.

Risk management is carried out and risks are reported in accordance with the Company's risk management process. The evaluations of risks are performed annually, and risks and activities are being followed up on periodically in Board and Audit Committee meetings.

The steering and monitoring of business operations is based on the reporting and business planning system covering the entire Group. The CEO and the CFO give both the Board meetings and the Executive Team meetings presentations of the Group's situation and development in monthly reports.

Overview of the Company's internal control

The aim of internal control and risk management is to ensure that the Company's operations are efficient and productive, that information is reliable, and that regulations and operating principles are followed throughout the Group.

Main features of the Company's internal control framework

The Board is responsible for internal control and the Board's Audit Committee is responsible for monitoring the efficiency of the Company's internal control, internal audit, and risk management systems. The Board shall ensure that the Company has determined operating principles for internal control and that the Company monitors the effectiveness of the control procedures. Moreover, the Board shall ensure that planning, information and control systems used for risk management are sufficient and support the Company's business objectives. The CEO and the CFO are responsible for the practical arrangement of control procedures.

The Group's centralized finance function and group accounting as well as controlling function, operating under the CFO, are responsible for the overall control system for financial reporting. Harmonized methods of financial reporting are applied in all Group companies, utilizing a uniform ERP system and harmonized account scheme, and also software for electronic procurement management, purchase invoices and travel expense reports and financial management. The entire

Group applies International Financial Reporting Standards (IFRS) in its financial reporting.

Main features of the monitoring mechanisms for the Company's operations and controls

Monitoring refers to the process to assess Basware's internal control system and its performance in the long term. Basware also continuously monitors its operations through various assessments, such as internal and external audits. Basware's management monitors internal control as part of operative management work. The business management is responsible for ensuring that all operations comply with applicable laws and regulations. The Group's financial and controller functions monitor compliance with the financial reporting processes and control. The financial and controller functions also monitor the correctness of external and internal financial reporting. The Board of Directors assesses and ensures the appropriateness and effectiveness of Basware's internal control and risk management.

Operating principles for internal control

The correctness and reliability of financial reporting are ensured through compliance with the Group policies and guidelines. Controls that ensure the correctness of financial reporting include controls related to accounting transactions, controls related to the selection of and compliance with the accounting principles, information system controls and fraud controls. The high automation rate of the Group's shared information systems and the systems' integrated control points facilitate an efficient internal control process with an audit trail for financial reporting. The Group's centralized finance functions continuously develop global and reliable, harmonized, scalable as well as efficient operating methods.

The result of business operations and attainment of annual goals is assessed monthly by the Executive Team and approxi-

mately monthly in Board meetings. Monthly management and Board reporting include both actual and forecast data compared to the goals and actual results of previous periods. Financial reports generated for use by the business management monitor certain key indicators associated with the business progress on a regular basis.

Main features of the practical application of the Company's internal control

The internal control processes include internal guidelines, reporting, various technical systems and procedures relating to operations. They help to ensure that management directives are followed and that activities are taken to achieve the Group's objectives. The daily tasks include management reviews and audits and operational reviews and audits, carrying out checks that are suitable for each function, country or business area.

The purpose of management reporting is to produce aptly timed and essential information for making decisions. The controlling function provides the guidelines on monthly reporting for the entire organization and is in charge of special reporting instructions associated with forecasting. The Group's financial administration internally distributes information on financial reporting-related processes and procedures on a regular basis and the personnel perform their internal control tasks according to such information. When necessary, financial administration also arranges targeted training for the rest of the organization on the procedures associated with financial reporting and changes in them.

The Group's Investor Relations function maintains the guidelines on the disclosure of financial information in cooperation with financial administration and the legal department. The disclosure policy of the Company is available on the Company's [investor pages](#).

OTHER INFORMATION TO BE PROVIDED IN THE CORPORATE GOVERNANCE STATEMENT

Overview of the Company's internal audit

The Company does not have its own separate internal audit function. Internal audits are performed by external expert advisor, selected and appointed by the Board of Directors annually. Internal audit assists the Board of Directors and Audit Committee in assessing and ensuring the appropriateness and effectiveness of Basware's internal control and risk management. Internal audits are performed for the Group's functions and units. Internal audits are performed annually based on a long-term internal audit plan. The long-term internal audit plan is approved by the Board of Directors. The management and Board of Directors review the observations and recommendations of the internal audits.

Decision-making procedure for related party transactions

The Company has a process for identifying parties that are related to the Company and maintaining a list of such parties. The Company continuously assesses and monitors related party transactions. The Company evaluates and monitors transactions to be concluded between the Company and its related parties to ensure that any conflicts of interest are duly taken into account in the Company's decision-making. Any related party transactions are only entered into, when they are useful to the Company on the whole and serve the interests of the Company. Decisions on entering into related party transactions shall always be based on careful preparatory work. Any preparatory work, decision-making, and the evaluation and approval of individual transactions is subject

to disqualifying potentially conflicted persons from such work. Related party transactions are appropriately identified and followed up by the Company's Audit Committee and reported in accordance with the Company's reporting practices.

Main procedures relating to insider administration

In insider matters, Basware complies with the applicable legislation, the standards of the Finnish Financial Supervisory Authority as well as Nasdaq Helsinki's Guidelines for Insiders. Basware Board of Directors has confirmed specific Inside Information and Insider Trading Policy complementing applicable legislation, standards of the Finnish Financial Supervisory Authority and Nasdaq Helsinki's Guidelines. Inside information refers to all information of a precise nature, which has not been made public and relates, directly or indirectly, to one or more issuers or to one or more financial instruments and which, if made public, would be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments. Basware discloses any possible inside information concerning the Company as soon as possible as a stock exchange release. However, the Company may, on its own responsibility and on a case-by-case basis, delay disclosure of inside information to the public in accordance with the conditions outlined in the Market Abuse Regulation ((EU) No 596/2014). Should the Company decide to delay disclosure, the Company documents and continuously monitors the preconditions of delayed disclosure. The Company notifies the Finnish Financial Supervisory Authority of the delayed disclosure immediately after the information has been publicly disclosed.

Basware does not maintain a list of permanent insiders, but establishes project-specific insider lists following the identification of a specific issue as inside information by the Company's Board of Directors and the Board's decision to establish an insider list relating to the identified issue.

Trading restrictions

Persons discharging managerial responsibilities in the Company may not trade in any financial instruments in the company during a closed period of 30 calendar days before the announcement of the Company's half-year report, annual financial statements, or Q1 and Q3 interim reports. In addition to persons discharging managerial responsibilities in the Company, the trading restriction applies to the Company's employees with access to management reporting and employees participating in the preparation, drawing-up, and disclosure of the company's financial reports.

Audit

The Company's audit shall be performed by an authorized auditor or audit firm. The Audit Committee makes a recommendation to the Board, who is responsible for making a formal proposal to the Annual General Meeting of for audit firm to be selected. The audit firm selected has overall responsibility for co-ordination of audits for the whole group (audit plans for each Group company) and their cost, together with the CFO of Basware Corporation. Moreover, if required, a local authorized audit firm can be selected to carry out the audit required by local legislation with a prior approval by the CFO.

The Annual General Meeting elects an authorized auditor as the Company's auditor. In 2021, Authorized Public Accountant Firm Ernst & Young Oy was elected as the Company's auditor, with Terhi Mäkinen, Authorized Public Accountant, as the principal auditor. The auditor's term expires after the conclusion of the next Annual General Meeting following the election.

In 2017 Basware's Audit Committee conducted a competitive procurement process of the company's audit in accordance with the EU Audit Regulation. According to the evaluation of the Audit Committee, of the tenderers Ernst & Young Oy best fulfilled the selection criteria that had been determined in advance. In addition to the knowledge and competences, the Committee considered the quality and expense risk related to the change of the auditor and, on the other hand, the integrity of the auditor. Ernst & Young were first appointed as auditors by the Annual General Meeting on February 14, 2008.

In 2021, the auditor was paid remuneration for audit services EUR 277 thousand, for tax consultancy services EUR 1 thousand and for non-audit services EUR 5 thousand.



basware

Simplify Operations, Spend Smarter.

