

The cover features a white background with two large, overlapping triangles. The triangle on the left is dark green and points towards the right. The triangle on the right is a lighter, lime green and points towards the left. The text is centered within the dark green triangle.

Alisa Bank Plc

Corporate Governance
Statement 2023

Table of content

General Meeting of Shareholders	3
Invitation to a General Meeting	3
Shareholder rights	4
Board of Directors.....	4
Audit Committee	8
Personnel Committee.....	9
Shareholders' Nomination Board	9
CEO and Management Team	10
Shareholdings of the CEO, the Deputy CEO and other members of the Management Team.....	11
Risk management and internal control.....	11
Compliance.....	12
Internal audit.....	12
Financial reporting process.....	12
Insider administration	13
Insider lists and management transactions	13
Closed period	13
Duties of the insider administration	13
Disclosure	14
Auditor	15
Related party transactions	15

General information on governance

Alisa Bank Plc is listed on the official list of Nasdaq Helsinki Ltd. The company is the parent company of the Group, and is a public limited company registered in Finland and governed by Finnish law. Its head office is in Helsinki.

In addition to legislation, Alisa Bank's decision-making, administration and operations are guided by the regulations and guidelines of the Finnish Financial Supervisory Authority, the rules and guidelines of Nasdaq OMX Helsinki Stock Exchange, and other laws and regulations relating to the governance of public limited companies and credit institutions, as well as the company's values and internal operating principles.

Alisa Bank complies with the Finnish Corporate Governance Code 2020 issued by the Securities Market Association. The code can be viewed on the internet at www.cgfinland.fi.

This Corporate Governance Statement has been prepared in compliance with the Corporate Governance Code. The statement is issued separately from the Board of Directors' Report and it has been reviewed in the company's Audit Committee. The company complies with all the recommendations of the Corporate Governance Code.

General Meeting of Shareholders

The highest decision-making power in Alisa Bank is exercised by shareholders at General Meetings of Shareholders, where they participate in the supervision and control of the company.

General Meetings are held at least once a year. In addition to the General Meeting, Alisa Bank's corporate governance model consists of the Board of Directors and the CEO. The Group's Management Team assists the CEO in the operative management of the company.

The Annual General Meeting is held upon completion of the company's financial statements, at a place and on a date designated by the Board of Directors. The date must be no later than the end of June. An Extraordinary General Meeting will be convened if necessary.

The General Meeting makes decisions on tasks within its purview in accordance with the Limited Liability Companies Act including adopting the financial statements, distributing profit, discharging the members of the Board of Directors and the CEO from liability and amending the Articles of Association, if necessary. The General Meeting also elects the members of the Board of Directors and the auditors and decides on their remuneration. An Extraordinary General Meeting must also be held if the company's auditor or shareholders whose shares represent at least one tenth of all the shares issued by the company that are not held by the company request, in writing, that a General Meeting be convened to deal with a specific matter.

Invitation to a General Meeting

Notice of the General Meeting shall be made with a stock exchange release and published on the company's website no earlier than three months and no later than three weeks before

the General Meeting, however, no later than nine days before the record date of the General Meeting.

Shareholder rights

Each shareholder of Alisa Bank Plc is entitled to participate in the General Meeting in accordance with the instructions provided in the notice of the General Meeting. Shareholders may participate in the General Meeting themselves or via proxies they have authorised.

Each Alisa Bank Plc share entitles its holder to one (1) vote.

In order to have the right to participate and vote in a General Meeting, a shareholder must be entered in the shareholder register maintained by Euroclear Finland no later than eight (8) business days prior to the General Meeting (the record date of the General Meeting). A nominee-registered shareholder who wishes to attend a General Meeting must apply for temporary registration in the shareholder register. The notice regarding temporary registration must be provided no later than on the date specified in the notice of the General Meeting which, by law, must be after the record date of the General Meeting. Such notice of temporary registration shall be deemed to be a notice of attendance at the General Meeting of Shareholders by a nominee-registered shareholder.

A shareholder has the right to have a matter falling within the competence of the General Meeting dealt with by the General Meeting. A related request must be made in writing to the Board of Directors well in advance of the meeting, so that the matter

can be mentioned in the notice. The company shall publish well in advance on its website the date by which shareholders must submit their request for a General Meeting to deal with matters. Such a request is deemed received on time if the Board of Directors receives notice no later than four (4) weeks before the notice of the General Meeting is sent.

A certain number of shares is not required to be represented at a General Meeting in order to constitute a quorum, with certain exceptions as specified in the Limited Liability Companies Act.

Board of Directors

The Board of Directors is responsible for Alisa Bank Plc's administration and appropriate organisation of operations. The Board of Directors has overall authority for deciding on all questions related to the company's administration and other matters which, under the law or the Articles of Association, do not belong to the General Meeting of Shareholders or the CEO.

The Board of Directors meets regularly at least six times a year. If necessary, the Board of Directors can meet more often. The Board of Directors is quorate when more than half of the members are present. The Board of Directors is elected by the General Meeting of Shareholders.

In accordance with the Articles of Association, the company's Board of Directors shall consist of at least four (4) and at most eight (8) regular members whose term shall expire at the close of the Annual General Meeting that follows their election.

In 2023, the Company's Board of Directors included the following persons:

- Markku Pohjola (Chairman of the Board), b. 1948, B.Sc. (Econ.)
- Teuvo Salminen (Deputy Chairman of the Board), b. 1954, M.Sc. (Econ.)
- Sami Honkonen b. 1983. Bachelor of Science (B.Sc.), Member of the Board as of 20 April 2023.
- Lea Keinänen, b. 1966, graduate in business and marketing and MBA
- Johanna Lamminen, b. 1966. Doctor of Science (Tech.) and MBA, Member of the Board as of 20 April 2023.
- Kai Myllyneva, b. 1969, M.Sc. (Econ.), Member of the Board until 20 April 2023
- Jorma Pirinen, b. 1959, graduate in business and marketing and MBA
- Tero Weckroth, b. 1971, licensed pharmacist and MBA

Further information on the members of the Board of Directors is available on the company's website:

<https://www.alisabank.com/management>

Independence of Board members

The Board of Directors regularly assesses the independence of its members in accordance with legislation and the Corporate Governance Code. Based on the independence assessment, the Board members are deemed to be independent of Alisa Bank. The Board members are also deemed to be independent of Alisa

Bank's significant shareholders. Teuvo Salminen was a member of the Board of significant shareholder Evli Plc until 14 March 2023.

Shareholdings of Board members

The following table shows the shareholdings of the Board members and the holdings of their controlled organisations in the company.

Shareholdings of the Board Members on 31 December 2023

Name	Shares	%
Tero Weckroth (ownership of direct and controlled corporation)	419 521	0.47
Lea Keinänen	208 081	0.23
Sami Honkonen	128 321	0.14
Teuvo Salminen	125 652	0.14
Markku Pohjola	124 565	0.14
Johanna Lamminen	44 827	0.05
Jorma Pirinen	44 521	0.05

Diversity of the Board of Directors

The composition of the Board of Directors takes account of the requirements imposed by regulation and the company's operations, and the stage of development of the company. A key diversity consideration is that the background, skills and experience of the Board members support the company's

business objectives in a broad range of areas and enable effective board work.

In line with the Board's diversity objective, both genders should be represented on the Board. The aim is for at least one third of members to consist of either gender, taking into account the qualifications required for Board members and a reasonable rotation period.

Appointed by the largest shareholders, the Shareholders' Nomination Board prepares proposals for the General Meeting on the composition of the Board of Directors. In addition to the qualifications of the candidates, the proposals strive to consider the need to ensure the diversity and independence of the Board. The number of Board members and the composition of the Board must enable the Board to carry out its duties effectively.

The Board's diversity policy is available on the company's website at <https://www.alisabank.com/corporate-governance>

In 2023, 2/7 of the Board Members were underrepresented genders.

Main duties of the Board of Directors

The Board of Directors is responsible for the company's administration and appropriate organisation of operations, and for ensuring that the company's accounting and asset management are appropriately organised.

The Board of Directors handles all matters that are of extensive and fundamental importance for the operation of the company and its subsidiaries.

The Board of Directors of Alisa Bank Plc has a written charter on the tasks of the Board, the matters to be dealt with, the meeting procedure and the decision-making process.

The main duties of the Board of Directors are:

- deciding upon the strategy and confirming the business strategy
- approving the company's risk strategy, risk management principles, the general risk appetite of different business areas, and the separately defined and binding business risk limits
- confirming the values adhered to in the operations of the company and its subsidiaries
- approving the company's key operating policies
- discussing and approving the annual and half-year reports
- determining the company's dividend policy and proposing to the General Meeting the amount of the dividend payable
- appointing the company's CEO and deciding on their salary and the terms and conditions of their employment
- confirming the appointments of the members of the company's Executive Committee and their remuneration
- deciding on the compensation systems for the company's senior management and on the principles of compensation systems for other personnel
- deciding on strategically or financially significant individual investments, acquisitions, divestments or restructuring

- confirming the company's internal control and risk management principles and addressing the most significant risks and uncertainties affecting the company's operations
- processing and approving the company's internal audit policies, action plan and audit reports
- processing and approving the policies, action plan and reports of the company's Compliance function
- being responsible for the other duties prescribed to the Board of Directors by the Limited Liability Companies Act or otherwise.

The Board of Directors may, if necessary, set up committees to prepare the tasks for which it is responsible, if the scope of the company's activities or the efficient performance of the Board's duties so requires.

The Board has established an Audit Committee and Personnel Committee to prepare matters to be handled by the Board. The committees have no independent decision-making power; instead, decisions are made by the Board on the basis of recommendations and information supplied by the committees. The committees make regular reports on their activities to the Board. The Board has approved written charters for the committees that provide more detailed guidance on their work.

Work of the Board of Directors

A Board meeting is quorate when more than half of the members are present. The Board's decision will be the opinion supported by more than half of those present, or, in the event of a tied vote, the opinion supported by the Chairman.

If a Board member is unable to attend a meeting, they must immediately notify the Chairman of the Board, the CEO or the Secretary of the Board of their absence.

Board meetings are attended by Board members. The CEO has the right to attend and speak at Board meetings, unless the Board decides otherwise in a specific case. The Board of Directors' meeting is also attended by the Secretary of the Board of Directors and, where appropriate, by another person whose presence is necessary for the matter being dealt with.

A member of the Board of Directors may not take part in a discussion on a matter regarding the contract between him/her and the company. A Board member may not participate, in the Board of Directors of a company or its subsidiary, in the discussion of a contract when a person in a related-party relationship to him or her is a party to the transaction. What is stated above about a contract applies correspondingly to other legal actions and court proceedings. A member of the Board of Directors must personally inform the Board of Directors of their disqualification.

Board meetings

The Board's meeting schedule is set each calendar year as part of the Board's action plan. The Board of Directors shall meet on a date designated by the Board of Directors on average eight times a year, unless the Board of Directors decides otherwise. A Board meeting may also be held at other times if the Board so decides or if a Board member or the CEO so requests. The notice

of the Board meeting, the main meeting materials and the minutes of the previous meeting shall be sent to the Board members no later than five (5) days before the meeting, if possible.

The Board has met 14 times in 2023. In addition, the Board has passed written resolution without holding a meeting.

Attendance of Board members at meetings

Sami Honkonen (as of 20.4.2023)	10/10*
Lea Keinänen	14/14
Johanna Lamminen as of 20.4.2023)	10/10*
Kai Myllyneva (until 20.4.2023)	4/4*
Jorma Pirinen	14/14
Markku Pohjola	14/14
Teuvo Salminen	13/14
Tero Weckroth	14/14
* change in composition on 20 April 2023	

Performance Evaluation of the Board of Directors

The Board conducts an evaluation of its activities and working practices in the form of a self-evaluation once a year. The purpose of the evaluation of the Board's activities is to assess how the Board has performed during the year and to serve as a basis for assessing the Board's practices, its composition, and the election of potential new members.

The Board's committees

Audit Committee

The Audit Committee is responsible for assisting the Board of Directors in ensuring that the company has an adequate internal audit system covering all operations and that the company's risk management has been arranged appropriately, and it also monitors the financial statements reporting process. The tasks of the Audit Committee also include preparing the auditor's selection, communicating with the auditor, and going through the auditor's reports as well as evaluating the auditor's and auditing firm's independence and related services.

Jorma Pirinen and Tero Weckroth served as committee members until 20 April 2023, and Teuvo Salminen served as Chairman.

As of 20 April 2023, Sami Honkonen, Johanna Lamminen and Tero Weckroth have served as members of the committee and Teuvo Salminen as Chairman.

The Audit Committee held a total of four meetings during 2023.

Teuvo Salminen	3/4
Sami Honkonen (as of 20.4.2023)	3/3*
Johanna Lamminen (as of 20.4.2023)	3/3*
Jorma Pirinen (until 20.4.2023)	1/1*
Tero Weckroth	4/4
* change in composition on 20 April 2023	

Personnel Committee

The Personnel Committee, which also acts as the Compensation Committee, is responsible for assisting the company's Board in the preparation of matters related to the terms of employment and remuneration of management and employees. The Personnel Committee monitors and assesses the company's wellbeing at work, personnel satisfaction and development.

Lea Keinänen and Kai Myllyneva served as members of the committee until 20 April 2023, and Markku Pohjola served as Chairman. Lea Keinänen and Jorma Pirinen have served as members of the committee since 20 April 2023, and Markku Pohjola as Chairman.

The personnel committee had a total of 4 meetings during 2023.

Markku Pohjola	4/4
Lea Keinänen	4/4
Kai Myllyneva (until 20.4.2023)	1/1*
Jorma Pirinen (as of 20.4.2023)	3/3*
* change in composition on 20 April 2023	

Shareholders' Nomination Board

The General Meeting of Shareholders has established a permanent Shareholders' Nomination Board to handle the election and remuneration of the Board of Directors. The Nomination Board is responsible for preparing and submitting to the General Meeting a proposal for the number of Board members, preparing and submitting to the General Meeting a proposal for the Chairman, Vice-Chairman and members of the Board, and preparing and submitting to the General Meeting a proposal for the remuneration of the members of the Board (including the Chairman and Vice-Chairman) in accordance with the remuneration policy of the bodies.

The members of the Nomination Board shall be appointed in such a way that the four (4) largest shareholders of the company shall each be entitled to appoint one (1) member. The number of shares held by shareholders is determined on the basis of the company's shareholder register on the last day of August of any given year.

The Nomination Board was composed of Maunu Lehtimäki (Chairman), Henrik Andersin, Karri Haaparinne and Harri Tilev.

The Nomination Board had three meetings during 2023.

Maunu Lehtimäki	3/3
Henrik Andersin	3/3
Karri Haaparinne	3/3
Harri Tilev	3/3

CEO and Management Team

The CEO is responsible for the day-to-day management of the company in accordance with the law and the instructions, orders and authorisations issued by the Board of Directors and ensures that the company's accounting complies with the law and that the company's financial management has been arranged in a reliable manner.

The Board of Directors appoints the CEO and decides on the remuneration to be paid to the CEO and the other terms and conditions of the CEO's service contract. The CEO is appointed to the post until further notice.

Teemu Nyholm is the company's CEO (b. 1975, M.Sc. (Tech.) and B.Sc. (Econ. & Bus. Adm.)) The Group's Management Team assists the CEO in the operative management.

Teemu Nyholm, b. 1975
CEO
M.Sc. (Tech.) and B.Sc. (Econ. & Bus. Adm.)

Antoni Airikkala, b. 1985
Director, Investor Customers
M.Soc.Sc.

Niklas Elomaa, b.1988
Director, digital channels
BBA
Member of the Management Team as of 15 February 2023
until 30 November 2023

Riikka Järvinen, b. 1974
Marketing Director
M.Sc. (Econ. & Bus. Adm.)
Member of the Management Team until 14 January 2024

Kukka Lehtimäki, b. 1988
CFO
M.Sc. (Econ. & Bus. Adm.)
On parental leave from 3 March 2023 until 30 September 2023

Christina Wallenius, b. 1978, was the interim CFO from 3 March 2023 until 30 September 2023

Juha Saari, b. 1979
Director, Personal Customers; Deputy CEO
Secondary-school graduate

Essi Salmela, b. 1989
M.Sc. (Econ. & Bus. Adm.)
Member of the Management Team as of 15 February 2023
On parental leave from 18 August 2023

Kristian Nybergh, b. 1969
M.Sc. (Econ. & Bus. Adm.)
Interim Chief Risk Officer from 19 August 2023

Miikka Silvonen, b. 1989
Director, Business Customers
M.Sc. (Econ. & Bus. Adm.)

Piia Vuoti, b. 1977
General Counsel
LL.M., Trained on the bench

More detailed information on the members of the Management Team is available on the company's website:

<https://www.alisabank.com/management>

Shareholdings of the CEO, the Deputy CEO and other members of the Management Team

The following table shows the shares in Alisa Bank Plc held by the members of the Management Team and their controlled organisations on 31 December 2023:

Name	Shares	%
TN Ventures Oy (Teemu Nyholm)	5 497 354	6.22
Antoni Airikkala	336 073	0.38

Risk management and internal control

Risk management refers to actions aimed at systematically surveying, identifying, analysing and preventing risks.

The objective of risk management is to:

- ensure the sufficiency of our own assets in relation to risk positions
- ensure that fluctuations in financial results and valuations remain within the confirmed targets and limits
- price risks correctly to achieve sustainable profitability
- support the uninterrupted implementation of the Group's strategy and income generation.

Alisa Bank defines risk as an event or series of events that jeopardise the company's income generation over the short or long term.

Alisa Bank's Board of Directors is primarily responsible for the Alisa Bank Group's risk management. Alisa Bank's Board of Directors confirms the principles and responsibilities of risk management, the risk limits of the Group and other general guidelines according to which the risk management and internal audit are organised. The Board has also set up a credit and risk control committee that briefs the Board on risk-taking proposals.

In addition to the general principles of risk management, the Alisa Bank Group's risk management is founded on the "three

lines of defence" model. The first line of defence: the business units; the second line of defence: risk control and compliance; and the third line of defence: internal audit.

Compliance

The Compliance function is responsible for ensuring compliance with the rules in all of the Alisa Bank Group's operations by supporting operating management and the business units in applying the provisions of the law, regulations and internal guidelines, and in identifying, managing and reporting on any risks of insufficient compliance with the rules in accordance with the separate compliance policy confirmed by Alisa Bank's Board of Directors. The Compliance function reports on its operations regularly via the Audit Committee to Alisa Bank's Board of Directors.

Internal audit

The internal audit is a support function for the Board of Directors and senior management that is independent of the business functions. It is administratively subordinate to the CEO and reports to the CEO and, via the Audit Committee, to the Board of Alisa Bank.

The internal audit assesses the functioning of the Alisa Bank Group's internal control system, the appropriateness and efficiency of the functions and compliance with guidelines. It does this by means of inspections that are based on the internal

audit action plan approved annually by the Audit Committee of the Board of Alisa Bank.

The internal audit complies not only with the internal audit guidelines, but also with the internationally acknowledged framework of professional practices (the Institute of Internal Auditors) and corresponding guidelines on information systems audit standards (the Information Systems Audit and Control Association).

Financial reporting process

The objective of internal control over the financial reporting process is to ensure that Alisa Bank Plc's operations are effective, that decision-making is based on reliable information and adequate identification of business risks, and that the financial reports published by the company provide materially accurate information about the company's finances.

The Alisa Bank Group's financial reporting is managed centrally by the financial administration. Alisa Bank Plc's Group budget is approved annually by the Board of Directors. Financial developments are monitored monthly by the Management Team and the Board of Directors. Monthly reporting and the related analysis and comparisons are a key part of the guidance and control carried out with the help of financial reporting.

Insider administration

In addition to applicable legislation, Alisa Bank Plc complies with Nasdaq Helsinki's Guidelines for Insiders of Listed Companies and the insider guidelines approved by the Board of Directors.

Insider lists and management transactions

Alisa Bank Plc's executives and their related parties must disclose to the company and to the Financial Supervisory Authority any transactions carried out with Alisa Bank Plc's financial instruments. The company has compiled a list of all persons in management positions and their related parties. The transactions of the executives and their related parties are disclosed in accordance with MAR.

Alisa Bank Plc's executives refers to the members of the Board of Directors, the Management Team or supervisory board, the CEO, his or her deputy and the CFO, as well as any other manager who has regular access to inside information concerning the company directly or indirectly and who has the authority to make management decisions affecting the future development and business prospects of the company.

Alisa Bank Plc maintains project-specific insider lists in accordance with valid insider regulations.

Closed period

Alisa Pankki Plc's Board Members, CEO and personnel may not trade in Alisa Bank Plc's financial instruments on their own account or on behalf of a third party, directly or indirectly, during the period beginning 30 days before the publication of each financial statements bulletin and half-year report and ending on the day following the publication of such information.

Duties of the insider administration

Alisa Bank Plc's insider administration is responsible for the following duties:

- internal communications concerning insider matters, trading restrictions and the duty to declare
- training concerning insider matters, trading restrictions and the duty to declare
- administration of insider lists and their delivery to the Financial Supervisory Authority upon request
- supervision of insider matters, trading restrictions and persons with a duty to declare
- maintaining a list of managers and their related parties who are subject to the duty to declare
- obtaining the requisite approvals from persons on insider lists
- providing the requisite notifications to managers and guiding managers in providing notifications to their related parties

- taking care of the duty to disclose the transactions of managers and their related parties
- careful monitoring of amendments to regulations concerning insider matters, trading restrictions and the duty to declare.

Disclosure

In its disclosures, Alisa Bank Plc complies with the EU Market Abuse Regulation (MAR), the Finnish Securities Markets Act and other regulations concerning listed companies, the regulations of Nasdaq Helsinki Ltd, and the company's internal operating procedures.

The purpose of Alisa Bank's disclosure policy is to ensure that all market participants have at their disposal at the same time and without delay coherent, relevant and sufficient information on factors affecting the value of Alisa Bank's share. All communications are also based on the values of Alisa Bank and the company's own governance principles.

When disclosing information to the market, Alisa Bank complies with the following principles:

information must be factual;
information is disclosed without delay;
communications are consistent and precise; and
communications are fair and transparent.

Alisa Bank Plc publishes the financial statements release without undue delay, however no later than two months after the end of the financial year. The financial statements are published

internally and externally only after a financial statement bulletin containing the same information has been published as a company release. The half-year report is published without undue delay after it has been approved by the Board of Directors, however no later than two months after the end of the review period. The company will publish the actual financial statements no later than three weeks before the Annual General Meeting.

Alisa Bank Plc will publish the inside information on the company as early as possible. Inside information refers to all information of a precise nature which has not been made public, relating directly or indirectly to a company or the company's financial instrument and which, if it were made public, would be likely to have a significant effect on the price of the company's financial instrument.

The ultimate decision-making power regarding external communication is vested in the Board of Directors, which approves and confirms the disclosure policy. The operational responsibility for the implementation of the company's disclosure policy and investor communications lies with the CEO. The company's CEO is responsible for the company's media relations. The company publishes its company and press releases in Finnish and English.

Auditor

KPMG Oy Ab, an auditing firm, served as the auditor, with Tiia Kataja, APA acting as the principally responsible auditor.

Audit fees and fees for non-audit services are stated in the notes to the financial statements.

Related party transactions

The company has identified its related parties and maintains a list of related parties in accordance with regulations. The company also keeps an up-to-date list of significant transactions between the company and its related parties, and of the parties to and main terms and conditions of these transactions.

Persons closely associated with the company are obliged to report any planned or known related party transactions to the company's related party administration without delay after becoming aware of the transaction.

Significant transactions with the company's management and its related parties are always decided by the company's Board of Directors. The Board of Directors shall decide on related party transactions that are not part of the company's ordinary business or that are not carried out on usual commercial terms.

The company's financial administration monitors and controls related party transactions as part of the company's normal reporting and control practices.

Material and significant transactions between the company and its related parties are reported six-monthly and annually in the notes to the consolidated financial statements.

The Audit Committee monitors and assesses the company's related party transactions. All related party transactions are reported regularly to the Audit Committee.

The company discloses related party transactions in accordance with valid regulations.