



Conflict of Interest Policy

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Policy owner	Head of Policy
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Puro.earth Conflict of Interest Policy

1. Introduction and Scope:

Introduction

- 1.1 Any robust corporate governance requires stringent, robust and transparent handling of conflict of interest situation in order to retain integrity, trust and credibility. The Board of Directors of Puro.earth Oy is responsible for monitoring the efficiency of Puro.earth Standard's arrangements to prevent and manage conflicts of interests.
- 1.2 This Conflicts of Interest Policy (the "Policy") sets out how Puro.earth Oy ("Puro") identifies, manages, prevents, and discloses potential or real conflicts of interests (collectively referred to as "conflicts of interest" or "conflict(s)" in this Policy) in order to comply with the applicable regulatory requirements and code of practices.
- 1.3 The Policy also describes the characteristics of a conflict of interest and exemplifies certain potential conflicts that are likely to arise in the course of the Puro.earth's operations. The Policy aims to increase the awareness of what constitutes a conflict and to provide internal rules for management and staff to address conflicts of interest.
- 1.4 Conflicts of interest are not prohibited but shall be identified, disclosed and managed or resolved as appropriate. Employees are encouraged to come forward with identified conflicts and to discuss them confidentially with the Head of Policy.

Scope

- 1.5 This Policy applies to general conflicts of interests that may arise for Puro and its staff, including board members, members of Advisory Board, and consultants, where relevant. The responsibilities of the Board of Directors of Puro.earth Oy (the "Board") with regards to conflict of interest management and the conflicts that specifically concern the Board or the Board members are further addressed in the Conflicts of Interest Policy for the Board.
- 1.6 This Policy should be read in conjunction with the Code of Ethics, and any conflicts of interest in relation to acceptance of gifts, outside business activities or ownership of financial instruments by the staff are described in, and shall be managed in accordance with those policies.
- 1.7 All employees are responsible for identifying conflicts of interests both in terms of personal conflicts as well as those that appear in the general operations, projects, and other work initiatives.
- 1.8 The following sources of potential conflicts of interests should be considered by Puro:
 - Between Puro and another group entity.
 - Between Puro and any shareholder.
 - Between Puro and a company in which a board member or a committee member performs other functions.
 - Between Puro and a client (supplier, intermediary, or buyer), when known.
 - Between Puro and any verification and validation body (VVB), reseller, supply aggregator, payment service provider, or any other service providers to Puro.

- Between Puro and connected exchange, sales channel, marketplace, registry or any other intermediary.
- In addition, conflicts of interest may arise on an individual employee level between Puro and a relevant person.¹

2. Definitions

- 2.1 A conflicts of interest can be defined as a situation in which someone has competing interests (whether professional and/or personal) which may (actually or potentially) be an improper influence on the relevant decision-making process and make it difficult to fulfil their duties fairly.
- 2.2 Risks of conflicts of interest usually arise in connection with a prioritization exercise and a potential conflict of interest often becomes real in the context of decision making. In the context of Puro a conflict will typically exist when a stakeholder's own interests interfere with the Puro's interests, the Puro's suppliers' interests or a buyers' interests (when the buyer is known to Puro) in its objectivity to make a decision or in the decision-making processes which it has to follow in the course of its professional obligations.

3. Conflicts of Interest

Considerations for the analysis of conflicts of interest

- 3.1 For each respective conflict of interest listed in section 1.8 above, a number of circumstances shall be taken into account when analyzing conflicts of interests within Puro:
- Puro is part of the Nasdaq Inc. Group (or the minority owner Fortum), where Puro could rely on intra-group outsourcing arrangements for its operation.
 - Puro has external service providers for its operation.
 - Puro should not appoint external auditors or VVBs that have any type of relationship with Puro which could lead to a perception that the auditor's independence is compromised.
 - Staff members' personal interests and outside business activities.
 - Relationships with intermediaries or clients.
 - Independent board members and non-executive board members receiving salaries and commissions from other companies outside Puro and the Nasdaq Group.
 - External representatives in the Advisory Board.

¹ "Relevant persons" include Puro staff (board members, members of Advisory Board, directors, managers and employees), and persons with close relationship such as their family members i.e. relatives by blood or marriage up to the "second degree" and dependent persons or persons permanently sharing the same household as well as any person who is not part of the staff or related, but who is involved in Puro business, or in its committees or councils (including the Advisory Board), or any other committee members, consultants, external advisors, agent, contract staff or subcontractors.

- 3.2 Puro shall define a length of time during which the real or potential conflict is presumed to continue to have effect after the conflict has ceased. Such effect may appear for example in situations where it continues to be perceived as a conflict by suppliers, buyers, intermediaries, marketplaces, authorities or other relevant persons or entities.

4. General examples of conflicts of interest in Puro

- 4.1 Generally, when a relevant person of Puro interacts with a supplier or buyer, or other stakeholder, the following circumstances should be carefully observed to make sure conflicts of interest are identified:

- Possibility to make a financial gain or avoid financial loss at the expense of a supplier, buyer or VVB or intermediaries and its clients.
- A financial or other incentive to favor the interest of a supplier, buyer, or VVB or intermediaries and its clients over the interests of another group of stakeholders;
- Engagement in the same business as the supplier, buyer, or VVB or intermediaries and its clients; or
- Receiving an inducement from the supplier, buyer, or VVB or intermediaries and its clients in relation to a service provided in the form of money, goods, or services, other than the standard commission or fee for that service.

5. Other potential conflict of interest areas

- 5.1 In addition to the general conflicts above, it is important to identify and describe situations that may lead to a conflict of interest on a more specific level. The following sections are conflicts that may arise specifically related to the business of Puro:

- **Group Activities** - Puro is a subsidiary and an affiliate of other entities within the Nasdaq Group. Conflict may arise between decisions made by other group entities and local regulations or applicable policies. The Board is responsible for ensuring that such conflicts will be resolved in accordance with the local regulations and policies.
- **Outsourcing** - When Puro outsources certain functions or tasks to other companies within the Nasdaq Group, Puro shall take appropriate measures to prevent conflicts of interests that may occur between Puro and the performing Service provider.
- **New products** - If/when there is a commercial interest of launching / approving a new product, as increased revenue for the Group might simultaneously increase the risk for the Puro.
- **Remuneration** - Remuneration of staff, if not adequately controlled, could cause conflicts of interest.
- **Outside Business Activity** - Conflicts of interest may arise or be perceived when engaging in outside business activities. Principles and procedures for approval of outside business activities are laid down in the Code of Ethics.
- **Gifts and Business-Related Events** - Giving or receiving work-related gifts or business courtesies could give rise to conflicts of interest. Principles on the exchange of business courtesies and gifts are further addressed in the Code of Ethics.

- **Trading Restrictions** - Managing non-public information that may affect the price of the Nasdaq stock or the stock of other companies could give rise to conflicts of interest. Principles and guidelines on investment and trading activity are addressed in the Code of Ethics.

6. Conflict of Interest management procedure

6.1 Management of conflicts of interest is a continuous obligation and includes the following steps:

- i. Training.
- ii. Identification.
- iii. Registration.
- iv. Follow up – the conflict must be managed through mitigating actions, resolution procedures and/or client disclosure.

i. Training

6.2 All persons and functions must be adequately trained on matters pertaining to conflicts of interest and on the procedures set out by this Policy. This includes being made aware of the definition of a conflict as well as the obligation to identify and disclose conflicts of interest that arise as part of the professional role or because of their personal circumstances.

ii. Identification

6.3 Relevant persons (as defined above in section 1.8) shall identify any real or potential conflicts of interests and mitigating measures and declare them to the Head of Policy. Identification can also be facilitated through targeted workshops addressing conflicts that arise by virtue of the group structure, outsourcing arrangements, board commitments, suppliers, buyers etc.

6.4 The Head of Policy is responsible to clarify if a situation constitutes a conflict and shall be empowered to perform necessary investigations. The Head of Policy is furthermore responsible for the decision making on the existence of a conflict of interest.

6.5 Should the Head of Policy be conflicted, the CEO can decide on the existence of conflicts. In cases of disagreement, or where the conflict of interest concerns a senior manager or any other board member the Chairperson and/or independent board member should be in charge.

iii. Registration

6.6 The identified conflicts of interests and the mitigating measures are tracked and recorded in a registry “Log”) which is maintained by the Head of Policy.

6.7 The Log shall be reviewed on a regular basis and at least on an annual basis. A review of the Log shall always be performed if there are material changes in the organization, outsourcing arrangements or in connection with bigger projects. The Head of Policy should also regularly verify the status of registered conflicts and that the mitigation measures are still appropriate and enforced.

6.8 The Log is kept strictly confidential. However, conflict of interest related to grievance from external stakeholders should be made public, refer to Grievance Policy.

iii. Follow up - Mitigating Actions

6.9 For each identified conflict of interest specified in the Log mitigating measures must be specified, as protective features to manage and mitigate the risk of conflicts. The mitigating measures can include i) establishing policies or instructions, ii) internal outsourcing agreements, iii) detailed service schedules, iv) new product approval process, v) committees, or specific provisions in employee contracts to ensure appropriate conduct and management.

6.10 If current measures do not mitigate the conflicts of interests sufficiently, additional actions shall be identified to manage and mitigate the risk in accordance with 6.14. The additional measures shall be documented in the Log.

6.11 Affected employees must comply with the mitigating measures.

iii. Follow up - Resolution Procedures

6.12 If a conflict of interest appears and the mitigating measures are not sufficient to eliminate the conflict, it needs to be escalated and resolved appropriately in Puro.

6.13 The relevant person should, without the need for evidence to be disclosed, subsequently stop working with the matter until the investigation has been completed and should be heard during the investigation process.

6.14 The CEO is responsible for the decision-making on the measures to be taken if a conflict has been identified. In cases of disagreement, or where the conflict of interest concerns a senior manager or any board member, the Chairperson and / or an independent board member should be in charge in the decision. Such decision making shall be dealt with at short notice² Resolution measures can include:

- a. Increased monitoring of the conflict by line manager or Board.
- b. Disclosure to the affected party such as supplier or buyer in a timely manner. The exclusion of the conflicted staff member from the sensitive information.
- c. Restrictions to participate in discussions or decisions which may be subject to a conflict of interest.
- d. Exemption of duties and assignment to another staff member.
- e. Temporary or definite exclusion of the staff member from the relevant committee, steering group or management meeting.
- f. Subject to disciplinary actions, up to and including termination of employment of the relevant staff member, in accordance with applicable law.

² The definition of short notice shall be determined in relation to the specific matter, to meet the purpose, i.e. to prevent any conflict of interest from either occurring, or escalating.

- 6.15 Affected staff must comply with the resolution procedures.
- 6.16 The investigation conducted and the decision on resolution measures shall be documented.

7. Reporting

- 7.1 Where a conflict of interest appears, the relevant staff shall immediately report to the Head of Policy for investigation.
- 7.2 The Head of Policy shall at least on an annual basis present the activities related to conflicts of interest management that have been performed as well as a report of any conflicts of interest that have occurred and any mitigating measures which have been decided.
- 7.3 In case of breach of this Policy, Puro shall report any material breach to the Head of Office of General Counsel in Europe within Nasdaq Group after the breach has been escalated and notified to the senior management / Board and within 48 hours.

8. Policy administration

- 8.1 This policy shall be reviewed by the Head of Policy and the Board bi-annually, or more frequently if significant amendments are required.
- 8.2 This Policy should be readily available to Puro employees.