

# CORPORATE GOVERNANCE STATEMENT

Wulff Group Plc is a Nordic listed company and the most significant Nordic player in office supplies. Wulff sells and markets workplace products, IT supplies and ergonomics. Its service range also includes international exhibition services and financial management services. In addition to Finland, Wulff operates in Sweden, Norway and Denmark. The Group also serves its customers online with a webshop for workplace products at [wulffinkulma.fi](http://wulffinkulma.fi).

Wulff Group Plc's corporate governance is based on Finnish legislation, such as the Limited Liability Companies Act, Securities Market Act, the regulations concerning the companies in the Helsinki Stock Exchange, and regulations regarding corporate governance of public listed companies, as well as the Articles of Association. Wulff Group Plc adheres also to the Securities Market Association's Finnish Corporate Governance Code which is publicly available on the Securities Market Association's web pages ([cgfinland.fi](http://cgfinland.fi)). The current Articles of Association are available on the Group's website [wulff.fi](http://wulff.fi). The Corporate Governance Code is based on a Comply or Explain principle which means that a company can deviate from individual guidelines if it explains and gives reasons for the deviation. The entire document describing the Group's corporate governance principles and

practices is available on the Group's investor pages ([wulff.fi](http://wulff.fi)). This Corporate Governance Statement is presented separately from the Review of the Board of Directors.

## GENERAL MEETING

Wulff Group's highest decision-making power is exercised by shareholders at the general meeting held at least once a year. The Annual General Meeting (AGM) is held annually on a date determined by the Board of Directors within six months of the end of the financial period either in the company's domicile, Helsinki, or in Espoo. Shareholders may exercise their rights to speak, request information and vote.

Shareholders are invited to general meetings by publishing a notice at Wulff's corporate website. The notice and instructions for participating in the meeting are also published as a stock exchange release. The Board's proposed agenda as well as the proposed Board Members and auditors are announced in the notice or in a separate stock exchange release before the general meeting.

The Annual General Meeting handles the tasks pertaining to it according to the Limited Liability Companies Act and Wulff Group's Articles of Association, which include:

- adopting the income statement and

balance sheet

- handling the profit or loss according to the adopted balance sheet, dividend distribution
- discharging the Members of the Board of Directors and the CEO from liability
- determining the number of Board Members and appointing members for one year at a time
- electing auditors
- determining the fees of Board Members and auditors, as well as the criteria for reimbursement of travel expenses
- remuneration policy and the approval of the remuneration report
- other matters mentioned in the notice of the meeting.

The Annual General Meeting is also authorised to amend the Articles of Association. An Extraordinary General Meeting is summoned, if required, by the Board of Directors.

In 2023, Wulff Group Plc's Annual General Meeting was held on April 5. The Annual General Meeting adopted the financial statements for the financial year 2022 and discharged the Members of the Board of Directors and CEO from liability. The AGM decided to pay a dividend of EUR 0.14 per share and authorised the Board of Directors to decide on the repurchase of the company's

own shares. The Annual General Meeting also accepted the Board's proposal concerning the authorisation to perform share issues. The AGM also approved the remuneration report for 2022. Kari Juutilainen, Lauri Sipponen, Jussi Vienola, and Kristina Vienola were re-elected as Board Members. The organising meeting of Wulff Group Plc's Board of Directors, held after the Annual General Meeting, decided that the Chairman of the Board is Kari Juutilainen. BDO Oy, with Authorized Public Accountant Juha Selänne as the lead audit partner, was chosen as the auditor of Wulff Group Plc. The Annual General Meeting decided that the reimbursements to the Auditors are paid on the basis of reasonable invoicing.

In 2024, Wulff Group Plc's Annual General Meeting will be held on April 4.

## BOARD OF DIRECTORS

The Board of Directors is responsible for the administration and the proper organisation of the operations of the company. The Board supervises and controls the operative management of the company, appoints and dismisses the managing director, approves the strategic goals and the risk management principles for the company and ensures the proper operation of the management system. The Annual General Meeting elects three to

six members to the Board of Directors and at most as many deputy members. The Board's term ends at the termination of the first Annual General Meeting following the election. In the organising meeting held after the AGM, the Board elects a Chairperson among its members. If the Chairperson is disqualified or prevented from attending to his/her duties, a Deputy Chairperson is elected among Board Members for the duration of a meeting.

The Board of Directors supervises the management of company operations, administration and accounting. It annually confirms a written charter for its activities, which it complies with in addition to the Articles of Association, Finnish legislation and other regulations. The charter lays out the Board's meeting procedures and tasks. According to the Board's charter, in addition to the issues specified in legislation and the Articles of Association, Wulff Group's Board of Directors:

- approves the company's long-term goals and strategy
- approves the company's action plan, budget and financing plan and supervises their implementation
- handles and adopts interim and half-year reports and the financial statements
- decides on individual big and strategically significant investments, such as company acquisitions and acquisitions and disposals of business operations
- preparation and presentation of the remuneration policy and report at the Annual General Meeting
- appoints the CEO and decides on his/her salaries and other remuneration
- approves risk management and reporting

procedures

- draws up the dividend policy
- sets up committees, if needed, to enhance Board work
- appoints the Group Executive Board
- supervises auditing
- assesses the auditor's independence and additional auditing services.

Wulff Group's Annual General Meeting held on April 5, 2023 elected four members to the Board of Directors.

In the preparation of the proposal for the composition of the Board of Directors, the requirements placed by the company's strategy, operations and development phase as well as the sufficient diversity of the Board of Directors are taken into account. The diversity of the Board of Directors is examined from different perspectives. Important factors for the company are academic and professional backgrounds as well as strong, versatile and mutually complementary expertise, experience and knowledge in the different business areas important to the company, internationality, independence of the company, an appropriate number of members, and the age and gender distribution. The Board must have sufficient economic and financial knowledge and management, marketing, and sales expertise.

In 2023, Wulff Group Plc's Board of Directors fulfilled the principles concerning diversity and expertise taking into consideration the company's strategy and the market and business environment as well as development projects. The focus of the strategy is customer experi-

ence, sales expertise and operating through multiple channels. Important strategic projects are taking advantage of digitalization, supporting sales with marketing communications, development of product and service portfolio especially with environmentally sustainable solutions and enhancing personnel's expertise. Especially important for the Board of Directors is developing the sales management according to the company's growth strategy.

The company's target is that both genders are represented on the Board of Directors. Currently, one of the four Board Members is a female, which means that the company's goal concerning the representation of both genders has been fulfilled. In the selection and evaluation process of new Board Members, the primary criterion is the qualifications of the individual and the possibility to devote a sufficient amount of time to the work, thus both genders are taken into consideration equally.

The majority of Board Members must be independent of the company. In addition, at least two of the members in this majority must be independent of the company's major shareholders. The independence is evaluated in compliance with recommendations of the Finnish Corporate Governance Code. The Members of the Board of Directors own shares of the company. The Chairman of the Board of Directors (since April 9, 2019) Kari Juutilainen owned 0.3%, and Members of the Board Jussi Vienola and Kristina Vienola owned 0.5% each and Lauri Sipponen owned 0.4% of the outstanding shares on 31.12.2023. Considering the portion of the shareholding the dependence of the compa-

ny is considered insignificant. The Members of the Board were not employed by the company in 2023 or 2022. According to the Board's assessment, the Members of the Board were independent of the company and significant shareholders in 2023 and 2022.

Due to the Group's small size, setting up Board committees or a supervisory board has not been considered necessary. The entire Board of Directors has handled all its tasks.

The Board of Directors convenes on average once a month during the financial year and more often if needed. The Chairman of the Board is responsible for convening meetings and for meeting activities. The meeting agenda is prepared by the CEO together with the Secretary of the Board.

Wulff Group Plc's Board of Directors convened 15 times (15) in 2023. The average meeting attendance of the Board Members was 100 percent (98). At its organising meeting the Board approved the charter and action plan for 2023 and evaluated the independence of its members. According to the meeting plan for 2024, the Board of Directors will convene 11 times. The Board carries out annual assessments of its operations and working styles based on a self-evaluation form. Based on the assessment, which was carried out in writing, Board work was successful in 2023.

More information on Board Members and their Wulff shareholdings is presented in Board and Management.

## CEO

The Board appoints the Chief Executive Officer (CEO) who supervises the company's operational management in accordance with the Limited Liability Companies Act with the instructions and guidelines provided by the Board. The CEO ensures that the accounting practices of the Group comply with the law and that the financial management of the group has been arranged in a reliable manner. The CEO ensures that the Board has sufficient information to assess the company's operations and financial situation. The CEO is responsible for the accomplishment of the Board's decisions and reports the results to the Board.

The CEO may undertake acts which, considering the scope and nature of the operations of the company, are unusual or extensive, only with the authorisation of the Board.

The CEO of the parent company Wulff Group Plc also acts as the Chairman of the Group Executive Board.

Elina Rahkonen started as the Wulff Group Plc's CEO on September 30, 2019.

## GROUP EXECUTIVE BOARD

The Group Executive Board led by the Group CEO is responsible for the Group's operations in practice. The Group Executive Board convenes regularly to analyse and evaluate the financial and business performance as well as the key development initiatives of the segments. The management team has no official statutory position but, in practice, it

has a significant role in the organisation of the company management. Based on the CEO's proposal, the Board of Directors confirms the composition and new nominations to the Group Executive Board.

The Managing Directors of subsidiaries are in charge of the business operations in each subsidiary. Significant decisions, such as significant investments, are subject to the Group CEO's approval. Each subsidiary has its own financial administration, while the Group's Chief Financial Officer has responsibility of group-wide financial administration.

More information on Group Executive Board Members, their responsibilities, and their Wulff shareholdings is presented in the section Board and Management.

## REMUNERATION

### Board of Directors

According to the company's Articles of Association, the Annual General Meeting determines the remuneration of the Board Members on a proposal from the Board of Directors. A fixed, monthly fee of EUR 1,250 resolved by the Annual General Meeting is paid to the Chairman and Board Members.

These Board Members are not rewarded by share-based remuneration plans or in any other way. The Group has not granted loans, guarantees or other contingencies to the Board Members. A summary of the remuneration of the Board of Directors is presented in Note 25 of the Consolidated Financial Statements and in the table presented.

According to the authorization granted by the Annual General Meeting on April 5, 2023, the Board of Directors has the right to continue the repurchase of the company's own shares by acquiring at most 300,000 own shares. The authorisation is in force until April 30, 2024. According to the authorization the company can acquire treasury shares to support the implementation of an incentive scheme or to be otherwise disposed of. In January-December 2023 no own shares were reacquired. During the last quarter of 2022, between October 26 and November 29, Wulff Group Plc repurchased 66,812 shares at the market price quoted through public trading on Nasdaq Helsinki Ltd, in accordance with the rules regarding the acquisition of company's own shares. The acquired shares are intended to be used to finance acquisitions and other arrangements according to the company's growth strategy.

### Chief Executive Officer

The Board prepares a proposal and determines the Group CEO's remuneration and other contractual issues.

On February 22, 2021 The Board of Directors decided on a short- and long-term incentive scheme for the Group CEO. The programme aims to promote the implementation of the company's strategy and its long-term profitability. The Board of Directors decided that the CEO is entitled to a short-term incentive for 2021, depending on the development of the adjusted operating profit and share price in 2021. The maximum amount of the remuneration is 10,000 Wulff Group Plc shares. The

Board of Directors decided that the CEO is entitled to a long-term incentive for the period between January 1, 2021 and December 31, 2023, depending on the development of the share price during the period in question and the CEO's shareholdings on December 31, 2023. The maximum amount of the remuneration is 30,000 Wulff Group Plc shares. The remuneration to be paid through the scheme is equal to the value of a maximum of 40,000 shares in Wulff Group Plc (excluding indirect wage costs). The fee will not be paid to the CEO if the company or the CEO resigns or terminates the CEO's contract before the payment of the fee. On February 22, 2021, the Board of Directors decided to issue 7,000 of the company's own shares to the CEO as remuneration for 2020. The transfer of the shares is based on the authorisation given to the Board of Directors by the Annual General Meeting on 23 April 2020. On February 21, 2022, the Board of Directors decided to issue 10,000 of the company's own shares to the CEO in accordance with the short-term incentive scheme decided on February 22, 2021. They also decided that the CEO is entitled to a short-term incentive for 2022, depending on the development of the adjusted operating profit and share price in 2022.

A part of the Group's CEO's benefits is a statutory pension. The contract does not specify a retirement age. No supplementary pension benefits were agreed or paid.

The Board appointed Elina Rahkonen as the Wulff Group Plc CEO on September 17, 2019 and she started in her position on September

30, 2019. In 2023, the remuneration of CEO Elina Rahkonen consisted of monetary wages and fringe benefits of the amount of EUR 208 thousand (correspondingly in 2022 in total EUR 255 thousand, of which monetary wages and fringe benefits 210 and share-based incentives 45). The Group CEO's service contract includes the above-mentioned share-based incentive. The Group CEO is entitled to the holiday pay and possibly to a bonus scheme to be determined later. The period of notice is three months from the Group CEO side and six months from the company's side. In case the company resigns the Group CEO contract unilaterally the Group CEO is entitled to a severance payment equal to three months salary.

### Group Executive Board

The Group CEO prepares and determines the contractual terms, salaries and possible other benefits and incentives of the Group's Executive Board Members. The pay raises of the Executive Board Members are approved by the Chairman of the Board.

Remuneration of the Group Executive Board consist of fixed monetary wages, fringe benefits, additional pensions, annually-determined performance-based bonuses and possible share-based incentives. The performance-based bonuses are determined by the company's financial performance and the person's individual goal-setting. The Group does not have any option schemes or share-based incentives currently in force as a part of Group Executive Board Members' remuneration plan.

Of the Executive Board Members, Tarja Törmänen's communication and marketing director service is obtained as an outsourced service and during 2023, the service costs amounted to EUR 108 thousand (104). The outsourced service is included in other operating expenses and has been presented also in the Note for Related Party transactions.

In 2023 and 2022, the Group Executive Board consisted of Atte Ailio until August 4, 2023, Sami Hokkanen until August 21, 2023, Iiris Pohjanpalo from August 21, 2023, Tarja Törmänen, Trond Fikseanet, Veijo Ågerfalk until August 21, 2023, and CEO Elina Rahkonen.

The employment benefits presented in the table above, include the above-mentioned employee benefits received by the Group CEO.

### RISK MANAGEMENT, INTERNAL CONTROL AND INTERNAL AUDIT

The Board of Directors is responsible for the internal control and the Group CEO arranges the management and supervision of internal controls' effectiveness in practice.

Ultimate responsibility for accounting, accuracy of the financial statements and supervision of asset management is carried out by Wulff Group's Board of Directors. Business control and supervision are carried out through a group-wide reporting system. Each business area's and subsidiary's net sales, sales margin, main expenses and operating profit with comparison data are reported to the Board each month. Additionally the Group CEO presents an overview of the current situation

### SUMMARY OF BOARD MEMBERS' BENEFITS TOTAL

EUR 1 000	2023	2022
Board members' salaries and fees		
Kari Juutilainen 4/2018- Chairman of the Board 4/2019-	15	15
Jussi Vienola 4/2018-	15	15
Kristina Vienola 4/2018-	15	15
Lauri Sipponen 4/2020-	15	15
<b>Board members' benefits total</b>	<b>60</b>	<b>60</b>

### SUMMARY OF GROUP EXECUTIVE BOARD'S EMPLOYMENT BENEFITS

EUR 1 000	2023	2022
Salaries and other short term	690	734
Fringe Benefits	39	31
Bonuses	56	60
Other long term remuneration, additional pension benefits	23	43
Share-based incentives	-	45
<b>Group executive board's employee benefits total</b>	<b>808</b>	<b>913</b>

and future outlook based on weekly and monthly analyses.

The segments' financial reports and the situation of the businesses' key development projects are on the agenda of the Group Executive Board which convenes on a tertiary basis. The subsidiaries' own Boards of Directors and management teams discuss their own business issues which are taken also to the Group Executive Board if those issues have influence also on other group compa-

nies. The Group CEO and CFO analyse and control each subsidiary's and business area's operations, performance and financial status regularly.

Wulff Group follows the risk management policy devised by the Board of Directors, which determines the objectives and responsibilities of risk management, as well as the reporting procedures. The company's risk management supports the achievement

of strategic objectives and ensures business continuity. The realisation of risk management policies is controlled with internal audits regularly and also external auditors supervise the adequacy and effectiveness of the risk management as a part of the audit procedures related to Group's governance.

Risk management is a part of Wulff Group's business operations management. Wulff's risk management is guided by legislation, business objectives set by shareholders as well as the expectations of customers, personnel and other important stakeholders. The Group's risk management aims to systematically and extensively identify and understand any risks that may prevent the achievement of the Group's business objectives, as well as to ensure that risks are appropriately managed when making business-related decisions. Threats to business include risks related to changes in the market and business acquisitions, IT risks, risks related to the staff and its availability, as well as factors related to the general economic development and the company's reputation.

Risks are classified into categories of strategic, operational and market risks. The risk management process aims to identify and assess risks and then plan and implement practical measures to mitigate each risk. Possible measures include, for example, avoiding the risk, reducing it in different ways or transferring it with insurance or agreements.

Wulff Group carries out annual risk surveys to determine the main risks in terms of their significance and probability. The business unit lead-

ers are responsible for carrying out the surveys and risk monitoring on which they report to the Group Executive Board. Selected persons are responsible for the monitoring of specific issues within each risk category i.e. strategic, operative or market risks. The Group has not set up a separate organisation for risk management. Instead, risk management is arranged in compliance with the company's other business operations and organisation structure.

The main risks determined in the risk survey, changes in the significance and probability of the risks, as well as the persons responsible, actions completed and results achieved are reported to the Group's Board of Directors annually. Special attention is paid to any possible new risks that are detected. More information on risks and risk management is presented in a separate section.

The goal of Wulff Group Plc's internal audit is to ensure that the Group's internal processes and operating methods are efficient and correct taking into consideration significant risks of the business operations. Internal audits are carried out on the basis of an annually prepared audit plan, which the Board of Directors approves at the beginning of the year. The Group's internal auditor draws up the plan, presents it to the Board of Directors and reports on the implementation of the measures. The internal auditor reports directly to the Board of Directors.

### EXTERNAL AUDIT

Based on the Articles of Association, Wulff Group Plc shall have 1-2 auditors. If the Annu-

al General Meeting elects only one auditor and if the auditor is not a firm of Authorised Accountants, additionally one deputy auditor shall be elected. Based on the Articles of Association, the auditors are appointed until further notice. BDO Oy, a company of Authorized Public Accountants, with Authorized Public Accountant Juha Selänne as the lead audit partner, was chosen as the auditor of Wulff Group Plc in 2017.

In addition to their statutory duties, the auditors report their audit findings to the Chairman of the Board when necessary, and at least once a year to the Board of Directors.

The Annual General Meeting decides on the auditors' fees and the expense compensation principles.

Based on the Board's decision, auditors can be paid reasonable fees for non-recurring other service assignments. The total audit fees for all Wulff Group companies were EUR 91 (85) thousand in 2023, of which EUR 9 thousand (11) were expenses other than audit fees (please see Note 8 for further information).

Following the corporate governance regulations, the auditors do not own shares of Wulff Group Plc or its subsidiaries.

### INSIDER ADMINISTRATION

Wulff Group Plc complies with applicable EU regulations, especially the Market Abuse Regulation (EU 596/2016, "MAR"), and any regulation and guidance given by the European Securities Markets Authority ("ESMA").

Further, the company observes Finnish legislation, especially the Securities Markets Act (746/2012, as amended) and the Finnish Penal Code (39/1889, as amended), including the insider and other guidelines of Nasdaq Helsinki Ltd and the standards and guidance of the Finnish Financial Supervisory Authority ("FIN-FSA") and other authorities.

Managers, according to the definition given by MAR, include the Members of the Board of Directors and Group Executive Board Members. MAR requires that each manager and his/her closely associated persons notify the company and FIN-FSA of their transactions in the financial instruments of or linked to the company conducted on his/her own account after a total of EUR 5 thousand per calendar year has been reached. The notifications shall be made promptly and no later than three business days after the date of transaction (T+3). Wulff will issue stock exchange releases to disclose information on transactions by managers and their closely associated persons, as specified in MAR and within two days of the receipt of the notification, in accordance with the rules of the Stock Exchange.

Wulff no longer maintains a list of permanent insiders. Instead, all persons involved with insider projects will be listed as project-specific insiders. Project-specific lists will be established and maintained for each project or event constituting inside information, based on a separate decision. All persons working for Wulff, representatives of external entities, stakeholders and authorities who have information concerning an insider project or have

access to project-specific inside information, as well as persons who are working for the implementation of an insider project, will be entered in a project-specific insider list. Persons that belong to a project-specific list are forbidden from trading with the company's financial instruments during an insider project. Preparation of periodic disclosure (half-year financial statements, interim reports, financial statements bulletins) or regular access to unpublished financial information is not regarded as an insider project. However, due to the sensitive nature of unpublished information on the company's financial results, the persons determined by the company, based on their position or access rights, to have authorised access to unpublished financial result information are added to a list of Financial Information Recipients.

Wulff applies an absolute trading prohibition (a 'closed window' principle) during a period beginning 30 calendar days before the announcement of each of the periodic financial reports and the year-end report (the financial statements bulletin) and ending at the end of the trading day following the day of publication of such a report. At the minimum, a closed period commences at the end of the reporting period in question. The closed window principle applies to the managers (as defined by MAR) as well as the Financial Information Recipients.

The person in charge of Wulff's insider register is the CFO.

## RELATED PARTY TRANSACTIONS

As part of the Group's key management personnel, the Group's related parties consist of the Members of Board of Directors, members of the Group Executive Board, and subsidiaries of Wulff Group Plc. The company does not hold shares in affiliates or joint ventures.

Wulff Group Plc monitors transactions with its related parties on a quarterly basis and on the basis of related party's own announcements. The company's financial management is responsible for supervising and reporting related party transactions to the Board as needed. A related party transaction in accordance with normal commercial terms does not require a decision by the Board of Directors to execute the related party transaction. The nature and the terms of related party transactions are assessed in relation to the company's normal operations and commercial terms. In making decisions concerning related party transactions, the company ensures that potential conflicts of interest are duly taken into account, and a potential related party does not participate in decision-making on significant related party transactions. Related party transactions are reported as required by the Companies Act and the provisions on the preparation of financial statements in the notes to the company's financial statements and, if necessary, in the report of the Board of Directors and the interim and half-year reports. In addition, the necessary related party transactions are disclosed in

accordance with the Securities Markets Act and the rules of the Exchange.

In 2023, related party transactions consisted of normal, market-based business transactions. Related party transactions have been presented in Note 25 of the Consolidated Financial Statements. The Group's parent company and subsidiary relationships have been presented in Note 26.

## COMMUNICATIONS

The Group publishes all its stock exchange releases and other matters related to listed companies' disclosure requirements on its website in Finnish and English. The Annual Report is published in electronic format so that it is equally available to all shareholders.

The Group's stock exchange releases, Corporate Governance principles and insider information is available at the Group's investor page Board and corporate governance ([wulff.fi/en/investors](https://wulff.fi/en/investors)).

Before the end of the year, the investors' calendar with dates for the Group's financial reporting during the next calendar year is published in a stock exchange release and on the Group's website. The Group applies an absolute trading prohibition, a 30-day 'closed window' principle, during which the company does not comment on questions regarding its outlook and development and during which insiders are prohibited from trading with the Group's financial instrument.