

## LIFELINE SPAC I PLC

# CORPORATE GOVERNANCE STATEMENT 2021

### INTRODUCTION

Lifeline SPAC I Plc's corporate governance complies with the company's Articles of Association, the Finnish Companies Act and other laws and regulations governing the company. In addition, the company complies with the Corporate Governance Code of Finnish listed companies that entered into force on 1 January 2020. The Corporate Governance Code is available at the Securities Market Association's website at [www.cgfinland.fi/en](http://www.cgfinland.fi/en). As of its listing, Lifeline SPAC I complied with the Corporate Governance Code without departures in financial year 2021.

This Lifeline SPAC I's Corporate Governance Statement pursuant to the Corporate Governance Code has been prepared as a report that is separate from the Board of Directors' report. The statement has been discussed and approved by the company's Board of Directors.

### GENERAL MEETING

The ultimate decision-making power lies with Lifeline SPAC I's General Meeting of shareholders. At the General Meeting, the shareholders of Lifeline SPAC I may exercise their right to speak, ask questions and vote in matters concerning the company. The General Meeting makes decisions on matters addressed to it by the Finnish Companies Act and the company's Articles of Association. Key matters resolved by the General Meeting are adopting the financial statements, discharging the Board of Directors and the CEO from liability, deciding on the distribution of profit, electing the members of the Board of Directors and the auditors and deciding on their respective remuneration.

The company's Annual General Meeting is held annually by the end of June. An Extraordinary General Meeting may be held for the purpose of dealing with a specific matter when deemed necessary by the Board of Directors or when requested in writing by the auditor or by shareholders representing at least one tenth of the company's shares. The notice to the General Meeting is published on the company's website and, if so decided by the Board of Directors, in one or more national newspapers selected by the Board of Directors at least three months and at the latest three weeks before the General Meeting. The invitation must however be sent at least nine days before the record date of the General Meeting defined in the Finnish Companies Act.

### BOARD OF DIRECTORS

In accordance with the Articles of Association of Lifeline SPAC I, the Board of Directors of the company consists of from five to eight ordinary members. The company's sponsors (Timo Ahopelto, Kai Bäckman, Petteri Koponen, Juha Lindfors) and the company's founder-CEO Tuomo Vähäpassi have, until the acquisition and two years thenceforth, together the right upon written notice to the company to appoint two members of the Board, in aggregate. The General Meeting appoints the other from three to six ordinary members. The Board of Directors elects a Chair from among its members.

## Tasks of the Board of Directors

The tasks and responsibilities of the company's Board of Directors are determined on the basis of the Finnish Companies Act as well as other applicable legislation. The Board of Directors has general authority to decide and act in all matters not reserved for other bodies by law or under the provisions of the Articles of Association. The general task of the Board of Directors is to see to the organisation and monitoring of the company's governance and operations. In all situations, the Board of Directors must act in accordance with the company's best interests.

In addition, the Board of Directors has approved a written Charter for itself, which defines the Board's key tasks, operating principles and meeting practices as well as an annual self-assessment of the Board's operations. According to the Charter, the key tasks of the Board of Directors include especially:

- monitoring the company's financial reporting, internal auditing and controls, risk management and related-party transactions;
- preparing a proposal concerning the election of an auditor and assessing the auditor's independence; and
- convening the Annual and Extraordinary General Meetings in addition to preparing proposals to the General Meeting.

## Composition and diversity of the Board of Directors

As of the establishment of the company and until 30 September 2021, the company's current CEO, Tuomo Vähäpassi, acted as a member of the Board of Directors of the company and the company's current CFO, Mikko Vesterinen, acted as a deputy member of the Board of Directors of the company. Prior to the listing of the company, the unanimous shareholders of the company elected Timo Ahopelto (Chair), Alain-Gabriel Courtines (Vice Chair), Caterina Fake, Irena Goldenberg and Petteri Koponen as members of the Board of Directors of the company for a term of office beginning on 30 September 2021 and expiring at the end of the following Annual General Meeting.

According to the evaluation of independence in accordance with the Corporate Governance Code completed by the Board, Alain-Gabriel Courtines, Caterina Fake and Irena Goldenberg are independent of the company and significant shareholders. Timo Ahopelto and Petteri Koponen are not independent of the company or its major shareholders.

Diversity of the Board of Directors supports the vision and the long-term objectives of the company. Each Board member must have the competence required by the position and the possibility to devote a sufficient amount of time to attending to the duties. Diversity of the Board of Directors is supported by a broad age range, gender composition, geographical coverage and professional and educational background of its members. The goal is to promote gender equality in the selection of Board members. When electing Board members, the objective is to ensure that the Board of Directors as a whole enables the Board of Directors to see to its duties efficiently.

## Board meetings

In 2021, the Board of Directors held 6 meetings, of which 2 meetings were held before 30 September 2021 and 4 meetings during the period from 30 September 2021 to 31 December 2021. The attendance rate of the Board members at the meetings during the financial year 2021 was 100%.

## Information about Board members and their shareholdings

Name	Personal information	Shareholding in Lifeline SPAC I on 31 December 2021 <sup>(1)</sup>
Timo Ahopelto	Chair of the Board of Directors since 2021 Member of the Sponsor Committee since 2021 Born: 1975 Education: Master of Science in Industrial Engineering Main occupation: Partner of Lifeline Ventures Not independent of the company or its major shareholders	394,302 series B shares 446,875 sponsor warrants
Alain-Gabriel Courtines	Vice Chair of the Board of Directors since 2021 Born: 1971 Education: Master of Business Administration (MBA) Main occupation: Investment and board professional Independent of the company and its major shareholders	97,058 series B shares 109,999 sponsor warrants
Caterina Fake	Member of the Board of Directors since 2021 Born: 1969 Education: Bachelor of Arts Main occupation: Partner of Yes VC Independent of the company and its major shareholders	97,058 series B shares 109,999 sponsor warrants
Irena Goldenberg	Member of the Board of Directors since 2021 Born: 1979 Education: Master of Business Administration (MBA) Main occupation: Partner of Highland Europe Independent of the company and its major shareholders	97,058 series B shares 109,999 sponsor warrants
Petteri Koponen	Member of the Board of Directors since 2021 Member of the Sponsor Committee since 2021 Born: 1970 Education: Studies in Technology and Economics Main occupation: Partner of Lifeline Ventures Not independent of the company or its major shareholders	394,302 series B shares 446,875 sponsor warrants

1) Including shareholdings through controlled entities.

## Committees

The Board of Directors of Lifeline SPAC I has established one Committee, Sponsor Committee. The Board of Directors is responsible for taking care of the compulsory duties of the Audit Committee.

## Sponsor Committee

The Board of Directors of the company has established a Sponsor Committee to evaluate acquisition targets and make proposals to the company's Board of Directors regarding possible acquisition targets. The Committee has no independent decision-making authority; it functions as a preparatory body, and the matters it addresses are brought to be decided on by the Board of Directors.

Ilkka Paananen (Chair), Timo Ahopelto, Kai Bäckman, Petteri Koponen and Juha Lindfors act as the members of the company's Sponsor Committee. In 2021, the Sponsor Committee held 2 meetings. The attendance rate of the Sponsor Committee members at the meetings during the financial year was 100%.

Information on and shareholdings of the Sponsor Committee members, who are not members of the company's Board of Directors, are presented in the table below.

Name	Personal information	Shareholding in Lifeline SPAC I on 31 December 2021 <sup>1)</sup>
Ilkka Paananen	Chair of the Sponsor Committee since 2021 Born: 1978 Education: Master of Science in Industrial Management Main occupation: CEO of Supercell Oy	50,000 series A shares 194,118 series B shares 220,003 sponsor warrants
Kai Bäckman	Member of the Sponsor Committee since 2021 Born: 1975 Education: Studies in Technology Main occupation: Partner of Lifeline Ventures	394,302 series B shares 446,875 sponsor warrants
Juha Lindfors	Member of the Sponsor Committee since 2021 Born: 1973 Education: Master's Degree in Economics Main occupation: Partner of Lifeline Ventures	394,302 series B shares 446,875 sponsor warrants

1) Including shareholdings through controlled entities.

## CEO AND MANAGEMENT TEAM

### CEO

The company's Board of Directors appoints the CEO and decides on the terms of their service contract and remuneration. The CEO shall see to the executive management of the company in accordance with the instructions and orders given by the Board of Directors.

### Management Team

The company's Management Team comprises the CEO and CFO. The Management Team supports the CEO, is responsible for the development and operational activities of the company and the business activities in accordance with the objectives set by the Board of Directors and the CEO. The Management Team assists the CEO in preparing the strategy, operating principles and other business operations and the company's common affairs among other things. The CEO acts as a Chair of the Management Team.

## Information about the Management Team and their shareholdings

<b>Name</b>	<b>Personal information</b>	<b>Shareholding in Lifeline SPAC I on 31 December 2021<sup>1)</sup></b>
Tuomo Vähäpassi	CEO since 2021 Born: 1969 Education: Master of Laws	35,000 series A shares 375,000 series B shares 425,000 founder warrants
Mikko Vesterinen	CFO since 2021 Born: 1983 Education: Master's Degree in Economics	404 series A shares 62,500 series B shares 70,833 founder warrants

1) Including shareholdings through controlled entities.

## RISK MANAGEMENT, INTERNAL CONTROL AND AUDIT

### Risk management

The company's risk management is guided by the risk management policy approved by the Board of Directors. The objective of risk management in the Company is to ensure the continuity of the business and the operational capability of the Company in all identifiable risk scenarios. The principle is to identify risks, assess their magnitude and significance, define risk mitigation measures and decide on their implementation and monitor their effects.

The company uses a risk assessment and monitoring model and conducts a comprehensive risk assessment annually, in which the most significant risks to the company's strategy and other objectives are assessed, as well as their probability and impact on business and risk management measures are monitored. If necessary, the risk assessments are updated, for example, for the risk assessments in the interim reports. The Board of Directors is responsible for the company's risk management.

### Internal control and audit

Internal control is essential in ensuring the company's operating capability, a critical component in risk management, and it enables creating and maintaining the company's value. The purpose of internal control is to protect the company's and its business units' resources from misuse, ensure the appropriate authorisation of business transactions, support management of IT systems, and ensure the reliability of financial reporting. Internal control is a process which enables minimising the probability of mistakes related to accounting.

The company does not have a separate internal audit function. The company's management is responsible for the internal control system. The Board of Directors may use external experts to conduct separate evaluations of the control environment or control functions. The audit plan of the company's external auditor defined by the company may account for the fact that the company does not have a separate function for organising the internal audit.

The basis of financial control is formed by the controls included in operational processes, which enable fast detections of deviations and rapid reactions to them. An important part of the financial control is monthly reporting by the management. The metrics followed in the monthly reporting have been set so that they support

the company in reaching its targets and highlight possible issues that require controlling actions. Due to the nature of the business, budgeting in its traditional form is not used by the company.

## **INSIDER ADMINISTRATION AND MANAGERS' TRANSACTIONS**

The company complies with the provisions of the EU Market Abuse Regulation (EU 596/2014, as amended, the "MAR") and the lower-level regulations issued thereunder, the Finnish Securities Markets Act, guidelines issued by competent authorities and the Guidelines for Insiders issued by Nasdaq Helsinki Ltd. In addition, the company's Board of Directors has approved the company's internal insider guidelines based on the guidance of Nasdaq Helsinki Ltd.

The company maintains project-specific insider lists for each project constituting inside information, as defined in insider provisions, based on the Guidelines for Insiders of Nasdaq Helsinki Ltd and the company's own internal guidelines. The person responsible for the company's insider matters is the company's CFO.

Lifeline SPAC I maintains a list on its managers and persons closely associated with them (related parties). The list is not public. The company has determined the members and deputy members of the Board of Directors, the CEO and their deputy, members of the Management Team and members of the Sponsor Committee as managers defined in the Market Abuse Regulation. Each manager and their related parties are obligated to report to the company and the Finnish Financial Supervisory Authority all transactions made with Lifeline SPAC I's financial instruments. The company publishes these transactions in a separate stock exchange release. The total shareholding of each manager is annually published as part of the Corporate Governance Statement according to the Corporate Governance Code.

The company complies with the MAR trading ban on managers (closed window). In addition, the company has separately identified persons who contribute to the preparation of the company's financial reports or who have access to information pertaining to this and who are not allowed to directly or indirectly trade in or to conclude on their own behalf or on the behalf of a third party any transactions that relate to the company's shares or any debt instruments or to related derivatives or other financial instruments (closed window). The closed window period begins 30 days before the publication of the financial statements report or interim reports and ends on the day following their publication.

## **PRINCIPLES FOR RELATED PARTY TRANSACTIONS**

Lifeline SPAC I evaluates and monitors the transactions with its related parties and maintains a list of its related parties. The company's Board of Directors decides on significant related party transactions that are not part of the company's ordinary course of business or not carried out on arm's-length terms. The company reports related party transactions annually in its financial statements and, if necessary, discloses related party transactions in accordance with the MAR, the Finnish Securities Markets Act and the rules of Nasdaq Helsinki Ltd.

## **AUDITING**

In accordance with its Articles of Association, Lifeline SPAC I shall have an auditor that shall be an auditing firm approved by the Patent and Registration Office. The auditor's term of office ends at the end of the next Annual General Meeting following election.

## Corporate Governance Statement 2021

The company's current auditor is KPMG Oy Ab, Authorised Public Accountants, with Turo Koila acting as the auditor with principal responsibility.

In 2021, the audit fees paid to the auditor amounted to EUR 15,000 and the fees related to other non-audit services totalled EUR 25,000.