



CORPORATE GOVERNANCE STATEMENT



PUBLIC



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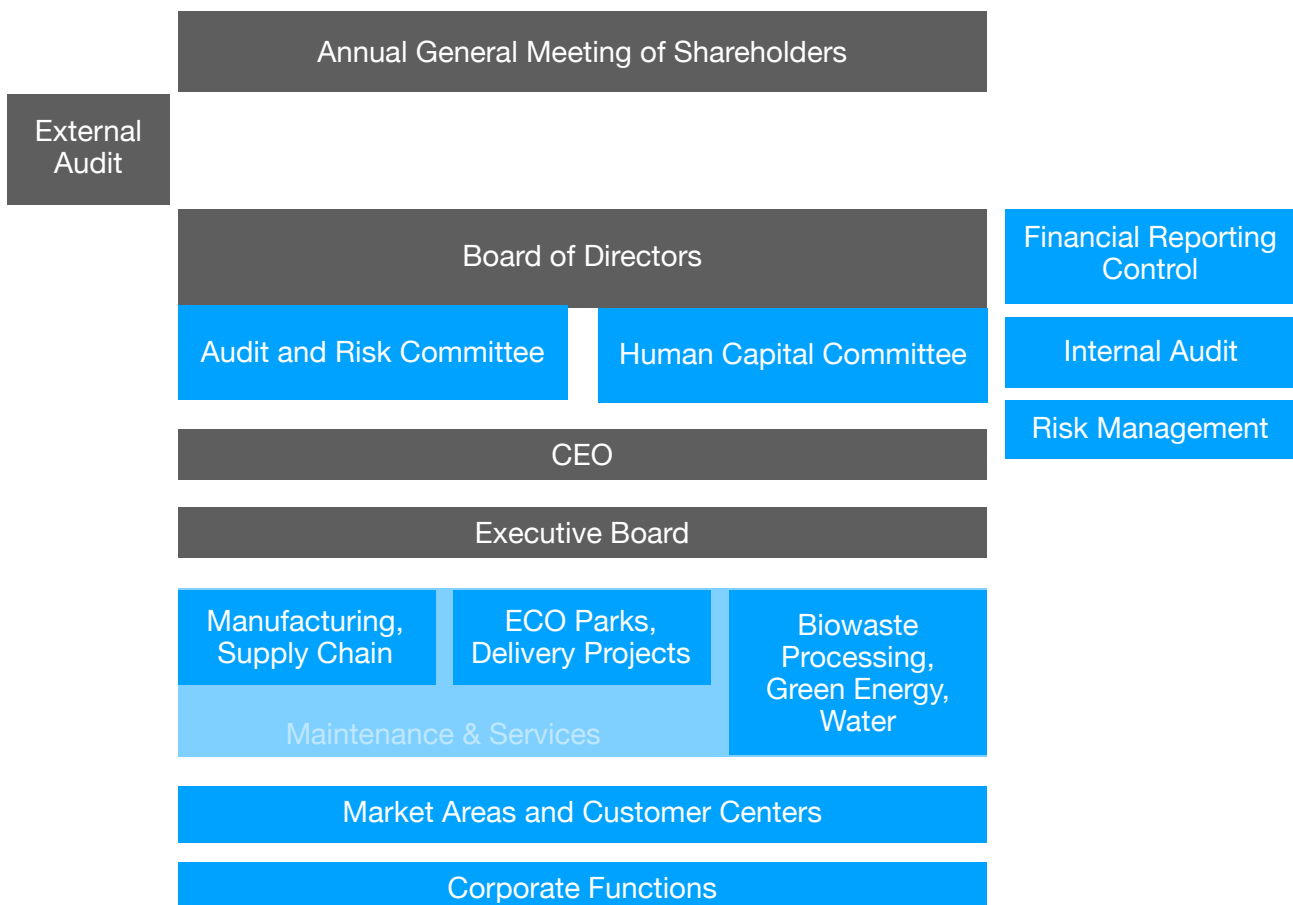


INTRODUCTION

The ultimate responsibility for the management and operations lies with the governing bodies of CES. These governing bodies are the General Meeting of Shareholders, the Board of Directors and Chief Executive Officer (CEO). Further, the Executive Board, operating under the authority of the CEO, has been formed for the efficient management of the company.

The governance principles applicable to the company are a combination of the laws, the Articles of Association approved by the General Meeting of Shareholders and Corporate Governance approved by the Board of Directors. The Corporate Governance is based on listed companies' self-regulation and it complements the statutory procedures.

GOVERNING BODIES OF CES





CORPORATE GOVERNANCE AT CES

Self-regulatory framework

CES has introduced the CES Management System for the purpose of ensuring the due functioning of its operational model. CES Management System defines governance, management principles, operational model, roles, responsibilities and authorities within CES. CES Management System documentation is based on European Foundation for Quality Management (EFQM) management system and processes framework criteria. Documentation defines compatibility and fulfilment of CES systems against such standards as ISO 9001 for Quality Management and ISO 14001 for Environmental Management. CES Management System is based on the following general principles and guidance:

- Governance and decision-making
- Mission, strategic intent and vision
- Strategy
- Organization
- Corporate-wide policies, processes, information, applications and quality

CES policies constitute a vital part of the Management System. The CES's Code of Conduct comprises the values that CES's behavior is based on, including human rights, compliance topics, anti-corruption issues, anti-money laundering, health and safety, insider rules, respecting laws and regulations, as well as free and fair trade practices. Disclosure policy will provide for timely and accurate investor communication.

CES will introduce a Compliance Helpline globally which enables anyone to raise their concerns or seek advice in matters related to compliance to the knowledge of Chief Compliance Officer. CES will provide mandatory training to its employees regarding the Code of Conduct and other compliance issues.

General Meeting of Shareholders

Annual General Meeting of Shareholders (AGM) is the highest decision-making body of CES. The ordinance provides that certain important decisions, such as amendments to the Articles of Association, approval of the financial statements, increasing or decreasing the share capital, decisions on dividends, the elections of the Board of Directors and the auditors, are the exclusive domain of the AGM.

The Board of Directors has the authority to convene the AGM. The Board of Directors may decide to convene the AGM on its own initiative but has an obligation to convene an Extraordinary General Meeting in the event that either the company's auditor or shareholders holding at least ten (10) percent of all the shares in the company so request. The AGM convenes once a year and is held on March 31st each year at the latest.

In order to participate in the general meeting of shareholders, a shareholder must so inform the company before the end of the registration period stated in the invitation to the general meeting of



shareholders, which cannot be earlier than ten days before the general meeting of shareholders and must not fall on a Sunday, Saturday, Midsummer Eve, Christmas Eve or other public holiday.

Each shareholder has the right to have a matter included on the agenda of a General Meeting of Shareholders, provided that a written request to that effect has been presented to the Board of Directors in sufficient time before a notice of meeting for the General Meeting of Shareholders is issued.

The Chairman of the Board of Directors, the CEO and a sufficient number of directors shall attend the General Meeting.

Board of Directors

Under the Company's Articles of Association the Board of Directors shall have a minimum of one (1) member and has no maximum amount of members. The General Meeting of Shareholders elects the Chairman, Vice Chairman, and other members of the Board of Directors. The term of office of a member of the Board of Directors shall expire at the end of the Annual General Meeting of Shareholders following election, unless terminated earlier by a decision of the General Meeting of Shareholders. The General Meeting of Shareholders decides on the remuneration payable to the members of the Board of Directors.

Duties of the Board

The general objective of the Board of Directors is to direct CES's business and strategies in a manner that secures a significant and sustained increase in the value of the company for its shareholders. The members of the Board are expected to act as a resource and to offer their expertise and experience for the benefit of the company.

The Board of Directors acts within the remit of the powers and responsibilities provided under the applicable legislation. The Board of Directors has general authority to decide and act on all matters not reserved by law or under the provisions of the Articles of Association to other corporate governing bodies. Further, the Board is responsible for the organization of CES's management and operations, and it has the duty at all times to act in the best interests of the company.

The Charter of the Board of Directors further specifies the duties of the Board as a whole, the duties of individual members and the Chairman of the Board, as well as the Board's methods of working at a practical level.

In the field of directing CES's business and strategies the Board of Directors shall decide on CES's basic strategies and monitor their implementation, decide on the authority frames for capital expenditure for CES and monitor their implementation, decide on major business acquisitions and divestments as well as any other major sales contracts and all contracts that represent an exceptional risk position taking into CES's size. The Board of Directors shall further decide on any major financing arrangements by any CES company, or which are organized by way of public offerings, or which are otherwise out of CES's normal course of business.

In the field of organizing the CES's management and operations the Board of Directors appoints and dismisses the Chief Executive Officer (the "CEO") his/her possible deputy and the other members of the executive board and decide on their terms of service, including incentive schemes, and successor planning, monitor issues relating to top management resources, decides on any significant changes in CES's business organization, defines CES's ethical values and modes of activity, ensures that policies outlining the principles of corporate governance are in



place, as well as ensures that other policies, as the Board of Directors may consider appropriate concerning issues within the Board of Director's duties and authorities are in place.

In the field of preparing issues for the General Meeting of Shareholders' resolution, the Board of Directors establishes the corporate policy for dividend distribution to the General Meeting of Shareholders, and makes proposals to the General Meeting of Shareholders.

In the field of financial control and risk management the Board of Directors discusses and approves the interim reports and annual accounts, monitors issues pertaining to significant risks and risk management activities related to CES's operations, and ensures that adequate policies for risk management are in place.

Evaluation of Board's work

The Board of Directors conducts an annual evaluation of its operations and working methods. The purpose of this evaluation is to establish how the Board of Directors has executed its tasks during the year and to act as a basis for the development of the Board of Directors work.

The Committees of the Board of Directors

The practical ways of working of the Board's Committees shall be further defined in their Charters approved by the Board of Directors. The Board of Directors may appoint additional committees from among its members and prescribe their agendas. All Board Committees shall report their work to the Board of Directors. The Board Committees shall act as preparatory bodies for the Board of Directors and shall not have an authority to take decisions on matters that fall within the Board of Director's authority unless specifically so authorized by the Board of Directors.

Audit and Risk Committee

The Board will establish an Audit and Risk Committee. The Audit and Risk Committee's task is to monitor the reporting process of financial statements and to supervise the financial reporting process. The Audit and Risk Committee also monitors the efficiency of CES's internal control mechanisms as well as risk management systems.

In addition, the Audit and Risk Committee monitors the statutory audit of the financial statements and consolidated financial statements, and evaluates the independence of the statutory auditor or audit firm, particularly the provision of related service to the company.

In addition, the committee shall prepare recommendations to the General Meeting of Shareholders concerning the election and fees of the auditor for the company. The committee's operation procedures have been specified further in the Board Audit and Risk Committee Charter, approved by the Board of Directors.

Human Capital Committee

The Board will establish a Human Capital Committee. The Human Capital Committee shall, in addition to the customary duties belonging to remuneration committees, assume a strong role in duties pertaining to human resources policies and processes. The Human Capital Committee is charged with duties relating to employee benefit plans and compensation as well as remuneration of the CEO and other executives. The Human Capital Committee will also prepare matters pertaining to the appointment of the CEO and his/her possible deputy and other executives as well as the identification of their successors. The Human Capital Committee shall identify, evaluate and recommend candidates for the Board based on the proposal made by the Chairman of the Board and prepares a proposal for the Annual General Meeting.



The Human Capital Committee operation procedures have been further specified in the Board's Human Capital Committee Charter, approved by the Board.

Duties and responsibilities of the CEO

The CEO is responsible for managing and controlling the company's business and day-to-day operations with the aim of securing significant, sustained increase in the value of the company for its shareholders. The CEO prepares matters for decision by the Board of Directors, develops the group in line with the targets agreed upon with the Board of Directors and ensures proper implementation of the decisions of the Board of Directors.

It is further the duty of the CEO to ensure that the company's operations are in compliance with the laws and regulations applicable at the time. The CEO may have a deputy who will attend to the duties of the CEO in the event that the CEO is prevented from doing so him/herself. The CEO shall make his/her most important decisions in Executive Board meetings, and such decisions shall be recorded in the minutes of these meetings.

Executive Board

The Executive Board, operating under the authority of the CEO, consists of the CEO, his/her deputy (if one has been appointed), the Chief Financial Officer and the Executive and Senior Vice Presidents responsible for the regions, business areas and global functions. The role of the Executive Board is to manage the CES's business as a whole. The members have extensive authorities within their individual areas of responsibility and have the duty to develop the company's operations in line with the targets set by the Board of Directors and the CEO. Executive Board meetings are convened by the CEO on a regular basis and all decisions made are recorded in minutes.

The CEO, his/her deputy (if applicable) and the other members of the Executive Board are appointed by the Board of Directors, which also specifies their areas of responsibility, in addition to determining and approving their terms of service, including salaries, bonuses and pension and other benefits. The terms of service shall be recorded in written contracts.

CONTROL SYSTEMS

The general governance principles and CES's self-regulatory framework provide the basis for CES's operations. In order to ensure the proper functioning of the governance model CES's Board of Directors has defined the principles for CES's internal control.

Internal audit

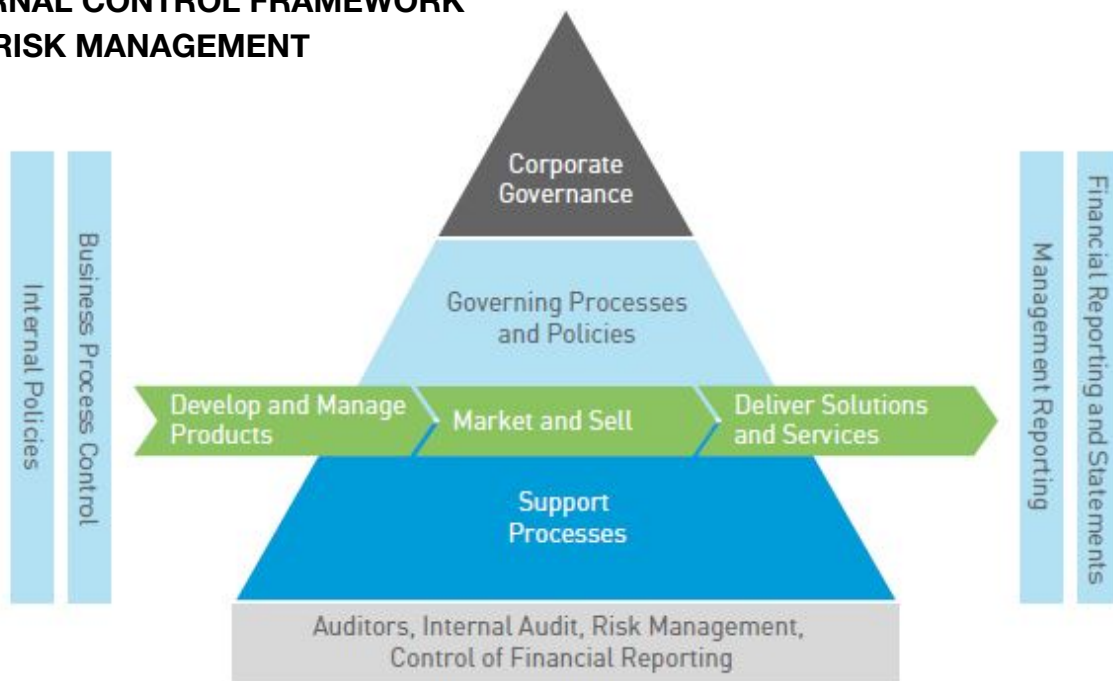
Internal audit is a fundamental part of CES's corporate governance and management systems. Internal audit assists the Board of Directors in supervising and controlling the company. The role of internal audit activity is to monitor that the company's operations are efficiently managed and profitable, risk management is at sufficient level and the provided reports for external and internal purposes are accurate. The internal audit system also verifies that the defined principles, policies and instructions are followed and internal audit assist in the investigation of suspected fraudulent activities within the organization.

Internal audit is designed to add value and improve CES's operations by acting as an independent, objective assurance and consulting service. Internal audit helps CES to support a good organizational governance, give an independent perspective for management in considering



and reviewing company operations, and accomplish its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control, and governance processes.

INTERNAL CONTROL FRAMEWORK AND RISK MANAGEMENT



The company's Internal Audit function reports administratively to the Chief Financial Officer but in matters related to the internal audit directly to the Board's Audit and Risk Committee and the CEO. The Audit and Risk Committee approves the annual and long-term internal audit plans. Audit findings, recommendations and management corrective actions are reported regularly to the Audit and Risk Committee.

Risk management

Risk management is an integral part of CES's management system and internal control framework. It aims at assessing risks in a systematic way in order to facilitate profound planning and decision making process. Risk management covers all parts of the organization and captures risks from strategic to operational risks. Risk management supports the management and the Board of Directors to ensure that the company can execute its strategy effectively.

CES operates in accordance with its enterprise risk management policy, which acts as an umbrella for all risk management activities within CES.

CES's project risk management process, financial risk management activities, QEHS (Quality, Environment, Health and Safety) systems, and Corporate Responsibility Policy form an integral



part of the enterprise risk management. CES’s risk management includes Group level and project-specific risk management processes, which all increase the reliability of the financial reporting.

CES’s Board of Directors oversees and approves CES enterprise risk management policy and the related processes. The policy defines the objectives, principles, operating procedures, organization and responsibilities of risk management as well as the reporting and follow-up procedures. Board’s Audit and Risk Committee is responsible for reviewing the risk assessments and reports to the Board. The Audit and Risk Committee also oversees how the management monitors compliance with the Group’s risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by CES.

The CEO and the Executive Board are responsible for defining and implementing risk management processes and for ensuring that risks are taken into account in the company strategy planning and operative business. Business areas, regions and global functions are responsible for achieving their strategic targets and for mitigating and managing all their risks with support from risk management, contract management and internal audit function.

Risk management is managed by the Corporate Security & Risk Management department headed by the Director of Corporate Security. Functionally risk management has direct access to the Executive Board, the CEO, the Audit and Risk Committee and the Board of Directors.

Risks are assessed regularly and the risks and related risk management measures are reported regularly to the CEO and the Executive Board, the Audit and Risk Committee and the Board of Directors. The main risks related to CES are strategic, operational, project and finance risks, which may affect significantly CES’s reported financial information. Most significant risks and uncertainties related to CES’s business will be described in the Board of Director’s report. Financial risks are described in the notes to financial statements. Operational and project risks will be assessed according to CES Operational Risk Management policy and the related processes.

Financial reporting controls

Internal control in the framework of financial reporting aims at providing assurance that the financial reporting is reliable and in line with the generally accepted accounting principles, applicable laws and regulations as well as internal reporting principles. The financial reporting framework in CES is based on Group wide instructions, financial processes and common reporting platform. This framework is supported by CES’s values, honesty and high ethical standards as well as frequent training and information exchange through meetings where information about financial processes is shared.

FINANCIAL REPORTING CONTROLS





The Board of Directors bears the overall responsibility for the internal control over financial reporting. Financial performance is reviewed by the Board. The Board will appoint an Audit and Risk Committee, which in addition to other tasks monitors on regular basis also the financial reporting principles and accuracy of financial reporting. The CEO and the Executive Board as well as the management teams in Business Areas and Regions conduct a monthly review of the historical financial performance and business outlook. Central part of the review is the financial performance of delivery projects. Controlling functions in subsidiaries are responsible for ensuring that the business transactions are reported according to Group accounting principles. The Internal Audit function performs regular checks on the financial reporting and report directly to the Audit and Risk Committee and the CEO. The corporate wide financial management and control is coordinated by the Corporate Finance & Control function headed by the Chief Financial Officer. The operational responsibility for internal controls lies in subsidiaries, Business Areas, Regions and Global Functions.

The Corporate Finance & Control function maintains common instructions for financial reporting, acts as process owner for financial processes and controls centrally the reporting platforms. The application and interpretation of accounting standards for the Group wide purposes is done by the Corporate Finance & Control and those principles are documented in the CES Accounting Policy and reporting manual. Reporting principles are implemented by the network of controllers in business areas, regions and global functions. CES's financial transactions will be recorded in several different financial transaction systems. The financial information is collected from the ERP systems to a common consolidation system to ensure standardized external and internal financial information. Internal management reporting is always matched with the external reporting in order to ensure that the internal and external reporting is based on the same information. Changes in accounting system master data are managed centrally to ensure data integrity. Automatic interfaces between financial transaction platforms and the consolidation systems are applied when reasonable. User rights for the financial IT systems and segregation of duties as well as consistent and well documented processes are an important part of the internal control.

CES's monthly financial review process will form a key control mechanism when measuring the effectiveness of operations and the development of the company versus the set financial targets. Monthly reporting includes detailed analysis of deviations between actual results, budget, previous year and latest forecast. In addition to the financial information the reporting covers also other key performance indicators for measuring the operational performance of CES, business areas and regions as well as cost development of global functions. As project deliveries at this point represent majority of CES's sales, project risk management and project control are the key processes for providing information for financial control and reporting.

Financial performance and outlook are reviewed on monthly basis on all organizational levels. Special emphasis is put on the review of project related contractual risks, project provisions and financial performance. Project related financial performance and risks are reviewed also by the Audit and Risk Committee on quarterly basis. Controllers participate in evaluating the performance as well as in planning activities. Controllers' responsibility is also to ensure that the reporting follows corporate guidelines and time schedules.

Auditors

The company will have one auditor which shall be an auditing firm authorized by authorities. The auditor is elected by the Annual General Meeting to audit the accounts for the ongoing financial year and its duties cease at the closure of the subsequent Annual General Meeting. The audit firm performs an annual audit of the accounting records for each financial year, the annual accounts and the corporate governance of the company. The audit of the company also includes an



examination of the consolidated annual accounts for the company, as well as the relationships between CES companies. This calls for cooperation between the auditor of CES and the auditors of the other CES companies worldwide. In the scope of the audit, it is taken into account that the company has its own separate internal audit function. On closing of the annual accounts, the external auditor submits the statutory auditor's report to the company's shareholders, and it also regularly reports the findings to the Board of Directors' Audit and Risk Committee. An auditor, in addition to fulfilling general competency requirements, must also comply with legal independence requirements guaranteeing the execution of an independent and reliable audit.



Appendix 1

CHARTER OF THE BOARD OF DIRECTORS OF CES

The Board of Directors of CES has adopted this Charter to govern its work as part of the Corporate Governance in CES (the “Company”).

Information on this Charter shall permit the shareholders of the Company to evaluate the operation of the Board of Directors.

1. Election of the Board of Directors

Under the Company’s Articles of Association the Board of Directors shall have a minimum of one (1) member and has no maximum amount of members. The Members are elected at each Annual General Meeting for a term of one (1) year.

The Chairman and the Vice Chairman of the Board of Directors are elected by each Annual General Meeting.

2. Responsibilities of the Board of Directors

The Board of Directors is vested with powers and duties to manage and supervise the operations of the company as set forth in the Companies Ordinance, the Articles of Association and any applicable laws and regulations. The company aims to comply with any applicable rules and regulations affecting the Company or its affiliates (the “Group Companies”) worldwide.

The Board of Directors shall decide on the basic strategies of the CES and its group companies worldwide and monitor their implementation, decide authority frames for capital expenditure (the “Capex Frames”) for the Group, decide principals of authorization levels and monitor their implementation, decide on any major individual investment or expenditure as well as on any other major and strategically significant investments, decide on major business acquisitions and divestments, major sales contracts, significant financing arrangements by the Group companies.

In addition the Board of Directors shall decide on appointment and dismissal of the Chief Executive Officer (CEO), his/ her possible deputy and the other members of the Executive Board, monitoring issues relating to top management resources, significant changes in the business organization of the Group as well as decides the incentive schemes for the Company as well as remunerations.

The Board shall decide defining Company’s ethical values, establishing a corporate policy for dividend distribution, discussing and approving the Company’s interim reports and annual accounts, monitoring issues pertaining to significant risks and risk management activities and ensuring that adequate policies for risk management are in place.

The Board of Directors is responsible for calling the Annual General Meeting of the Shareholders and providing all necessary annual proposals to the Annual General Meeting of the Shareholders.

The Board of Directors reassesses its activities on a regular basis.



3. Board Committees

The Board of Directors will establish two committees to assist in its work. These committees are the Audit and Risk Committee and the Human Capital Committee.

The Audit and Risk Committee's task is to review, in greater detail than is possible for the Board as a whole, the auditing work, the internal controls, the scope of internal and external audits, invoicing by the auditors, the company's financial policies and other procedures for managing company specific risks. In addition, the Audit and Risk Committee shall prepare recommendation to the Annual General Meeting of Shareholders concerning the election and fees of the auditors of the Company. The Committee's operation procedures have been specified further in the Board Audit and Risk Committee Charter, approved by the Board.

The Human Capital Committee. The Board of Directors wants to underline the importance of human capital development and management for a high technology company such as CES with world-class knowledge and expertise. The Human Capital Committee is charged with duties relating to human capital development and policies, employee benefit plans and compensation as well as remuneration of the CEO and other executives. The Committee will also prepare matters pertaining to the appointment of the CEO and his/her possible deputy and other executives as well as the identification of their successors.

4. The Duties of the Chairman of the Board of Directors

The Chairman of the Board of Directors (the "Chairman") shall have the rights and duties vested on the Chairman under the Companies Ordinance. When the Chairman is prevented from attending to his/her duties, the Vice Chairman shall be responsible for attending to the duties mentioned below.

The Chairman will preside over the Board of Directors and has a casting vote in the event of a split vote among the Board. It is the general duty of the Chairman to control the administrative work of the Board so that its duties are carried out appropriately and effectively. For this purpose the Chairman shall be responsible for the planning of Board's activities, see to it that each Board meeting is convened as scheduled, approve the agenda based on a proposal by the CEO for each meeting, grant rights to be present at Board meetings and see to it that minutes are prepared of the meetings.

5. The Meetings of the Board of Directors

The meetings of the Board of Directors will be held as regularly as deemed necessary, but at least five times every year. According to the Company's Articles of Association, the Board of Directors constitutes a quorum with more than half of its members present. Minutes in English language shall be prepared for each meeting of the Board of Directors. Board meeting can be held outside the Company's registered office, if deemed appropriate.

Board meetings can be either physical or they can be held in the form of teleconference. In matters of purely formal nature, unanimous decisions can be recorded in the minutes on a "per capsulam" basis.

Minutes of physical meetings are signed by the Chairman, one member of the Board and the secretary. Minutes of teleconferences and "per capsulam" –meetings are signed by all members and the secretary.

Unless otherwise decided on a case-by-case basis, the CEO and CFO shall attend the meetings of the Board of Directors.



The Board of Directors shall prepare annually a meeting calendar for the coming year. The meeting agenda and material shall be at the Board's disposal at the latest three business days before the Board meeting. The meeting agenda shall be prepared by the CEO and approved by the Chairman.

6. Information

The Board of Directors shall on an ongoing basis be kept informed on issues and business activities of major strategic impact.

CEO shall regularly provide the Board of Directors with business and financial information following reporting guidelines to be adopted by the Board of Directors. This introduction shall include presentations to familiarize new members with the Company's business, its strategic plans, significant financial, accounting and risk management issues and its compliance programs as well as the duties and responsibilities as members of the Board of Directors.

7. Evaluation of the Performance

The Board of Directors conducts an annual evaluation of its operations and working methods. The purpose of this evaluation is to establish how the Board has executed its tasks during the year and to act as a basis for development of the Board's work.

8. Corporate Communications

As a general rule, the CEO speaks on behalf of the Company. In addition CES's top management with Investor Relations and Corporate Communications professionals are responsible for communication with investors, analysts and financial media.

No other corporate representatives meet, comment or communicate with the capital market unless otherwise agreed. If so agreed, certain other Corporate Management representatives or specialists are available to the capital market in relation to their own field of expertise and/or responsibility.



Appendix 2

BOARD AUDIT AND RISK COMMITTEE CHARTER

1. General

The Board Audit and Risk Committee's (later the "Committee") duties are defined by the Corporate Governance, the Board Charter and this Audit and Risk Committee Charter approved by the Board.

The purpose of the Committee is to assist the Board in ensuring the appropriate arrangement of the governance, controls and risk management according to the Companies Ordinance. A particular purpose of the Committee is to assist the Board in fulfilling its responsibility to oversee the Company's financial reporting process and risk management as described in the Corporate Governance Statement. In discharging its oversight role, the Committee is empowered to investigate any matter within its scope of authority, including access to external auditor's information and all records and personnel of the Company and it also has the authority to retain outside expertise for this purpose.

2. Composition

The composition of the Committee is determined by the Board of Directors. The Committee consists of the Chairman and at least two members which the Board selects amongst its members. The Board of Directors nominate the Chairman of the Committee. The members of the Committee shall have the qualifications necessary to perform the responsibilities of the Committee, and at least one member shall have expertise specifically in accounting, bookkeeping or auditing.

3. Duties of the Audit and Risk Committee

To carry out its responsibility, the Committee shall, in particular, undertake the following activities

3.1. Financial reporting

- 3.1.1. review with the external auditor the annual financial statements and interim reports before submission to the Board for final decision, focusing particularly on: (i) any changes in accounting policies and practices, (ii) major judgmental areas, (iii) significant adjustments resulting from the audit, (iv) compliance with accounting standards, (v) compliance with stock exchange and legal requirements
- 3.1.2. review with the external auditors the results of the audit
- 3.1.3. review internal controls and monitor the effectiveness of the Company's procedures for internal control over financial reporting
- 3.1.4. review the Company's key accounting policies and principles
- 3.1.5. monitor the related party transactions and address any possible conflicts



3.2. External audit

- 3.2.1. for the purposes of each Annual General Meeting and otherwise as necessary, prepare a resolution proposal to the shareholders as to the election and fees of the external auditor(s)
- 3.2.2. define the scope of the external audit and review audit fees
- 3.2.3. when needed meet separately with external auditors to discuss any matters that might be relevant for the controls
- 3.2.4. review and confirm the independence external auditors, also in relation to the non-audit services
- 3.2.5. review and evaluate the process of selecting external auditors and follow any regulatory changes regarding selection and rotation requirements

3.3. Internal audit

- 3.3.1. review the internal audit charter, audit activities and resourcing of internal audit function
- 3.3.2. review and approve internal audit annual plan
- 3.3.3. when needed meet separately with the Internal Auditor to discuss any matters that the Internal Auditor or Committee deem necessary
- 3.3.4. review major findings of internal investigations and management's response

3.4. Risk management

- 3.4.1. monitor the effectiveness of the Company's risk based on internal control system, make such recommendations as the Committee considers desirable and review the risk management related statements to be included in the financial reports
- 3.4.2. monitor significant contractual, delivery, financial as well as balance sheet and liquidity risks, and related management actions
- 3.4.3. review the Company's global insurance arrangements

3.5. Legal, governance and compliance

- 3.5.1. review major legal disputes and other legal matters together with the General Counsel of the Company
- 3.5.2. monitor compliance with applicable external legal and regulatory requirements as well as the Code of Conduct of the Company with the Chief Compliance Officer
- 3.5.3. when needed meet separately with the Chief Compliance Officer to discuss any matters that the Chief Compliance Officer or the Committee deem necessary



4. Meetings and Reporting to the Board

The Committee meets regularly at least four (4) times per year. The Committee defines in the first meeting after the Annual General Meeting the annual calendar.

The Chairman of the Committee has the responsibility to lead the Committee's work and to ensure that the Committee attends to the tasks that fall within its authority.

The secretary to the Committee shall be nominated by the Board. Minutes shall be prepared for each meeting. The Committee reports on its work to the Board of Directors. The Chairman of the Committee presents to the Board a summary report of the Committee meeting. Furthermore, the minutes of the Committee meeting and material of the Committee is made available to the Board Members.

The Committee may invite to the meetings representatives of the management and external auditors, as the Committee may consider appropriate. The Committee is allowed to use external consultants and experts when necessary.



Appendix 3

BOARD HUMAN CAPITAL COMMITTEE CHARTER

1. The Human Capital Committee (HCC) is established to ensure that all human capital related topics, such as ethics and values, resourcing strategy, competence and performance management, and compensation arrangements, support the strategic aims of the business and enable the recruitment, development, motivation and retention of key personnel while complying with the requirements of regulatory and governance bodies, and satisfying the expectations of shareholders.
2. The HCC should also ensure compensation arrangements focus operative management on achieving long-term business objectives and growth in shareholder value. In satisfying this requirement, the committee should review and approve incentive arrangements, including key performance indicators (KPIs) and performance targets.
3. The composition of the Board Human Capital Committee is determined by the Board of Directors.
4. The tasks of the Committee consist, in particular, in
 - preparing matters pertaining to the appointment of the CEO, and his possible deputy and the other executives as well as the identification of their successors
 - guidance in human capital related corporate responsibility topics
 - ensuring that CES human capital strategy, including resourcing strategy, is in place and reflects long term business needs in geographical and competence areas
 - overseeing that leadership and management development, and future leaders pipeline are in place for ensuring the successful management of the company in all circumstances
 - ensuring that effective performance and competence management systems are in place to assess the performance and development of the executives and the company
 - periodically evaluating the performance and compensation of the CEO and the members of the Executive Board and present its findings, opinions and possible recommendations to the Board.
 - developing and administering the compensation policy
 - preparing matters pertaining to the compensation schemes of the company, oversee the implementation and operation of short-term and long-term incentive arrangements, and monitor the overall cost of compensation structures within the company including preparing matters pertaining to the compensation of the CEO and other executives
 - defining the company policy on retirement schemes
 - contributing to and signing off on any compensation report or other communications with shareholders and answering questions related to the compensation statement at the general meeting



- ratifying the appointment of the Head of Human Capital shared function.
 - The Human Capital Committee shall identify, evaluate and recommend candidates for the Board based on the proposal made by the Chairman of the Board and prepares a proposal for the Annual General Meeting.
5. The Committee shall convene according to the CES Board's Annual Cycle.
 6. The Committee reports on its work to the Board of Directors.
 7. The Committee shall undertake any other duties as directed by the Board.



Appendix 4

BOARD OF DIRECTORS' PRINCIPLES ON DIVERSITY

CES's Board of Directors has defined its principles on diversity. The factors to be taken into account when deciding a composition of the Board of the Directors:

- The Board of Directors as a whole possesses the necessary knowledge and experience on the business, social and cultural conditions in the most significant markets to CES's business.
- The Board of the Directors should have a fair and balanced combination of professional experience, skills, gender, nationality, knowledge, and variety of opinions and backgrounds considering CES's current and future needs. CES's long-term objective is to have a fair and balanced representation of both genders in the Board.
- In addition, the members of the Board of Directors shall jointly have a sufficiently diverse professional and educational background; strong industry knowledge; strategy development and implementation skills; balanced geographical and nationality background; knowledge on macroeconomics and international economics; experience in company leadership in various development phases; sufficient and fair diverse age and gender distribution to meet fair and balanced gender representation; an appropriate balance of decision-making capability, skills and experience; other personal capabilities such as innovation and constructive questioning; and sufficient time available for Board work.

The actions that have been taken in order to achieve the diversity objectives are the following:

- The Chairman of the Board shall present the required competences and skills of a member of the Board of Directors to the Human Capital Committee, as well as the proposal on the Board composition
- The Human Capital Committee shall identify, evaluate and recommend candidates for the Board
- The Human Capital Committee's preparatory work aims, above all, to ensure that the diversity principles are followed when nominating the Board of Directors, and that the Board functions well as a whole, and that the competence profile of Board of Directors supports CES's existing and future businesses and is consistent with CES's strategic goals.
- The Human Capital Committee prepares a proposal for the Annual General Meeting
- The proposal to the Annual General Meeting regarding the Board composition shall be always be ultimately decided based on the qualification and competence which each candidate would bring to the Board.
- The achievement of diversity objectives and progress in achieving the objectives shall be assessed as part of the Human Capital Committee's self-assessment discussion.