

# GUIDELINES FOR THE JYVÄSKYLÄ UNIVERSITY GROUP

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## Section 1. Purpose and scope of application

The purpose of these Group guidelines is to define the principles, objectives and procedures for Group steering as well as to clarify the division of work and responsibilities between the Group's various entities. The shared guidelines of the Jyväskylä University Group guarantee a successful implementation of the JYU strategy and ownership policies, enabling the Group to develop effectively. These Group guidelines define the procedures for ownership steering so that holdings are taken care of appropriately, reliably and effectively so that the overall benefit of the Jyväskylä University Group is secured.

The Group guidelines are applied to the University of Jyväskylä as the parent entity and to those entities over which the University exercises control, unless otherwise required by mandatory legislation or the specific characteristics of a particular entity.

The Group guidelines are also promoted and pursued in other entities in which the university is involved in management, such as foundations, associated companies and associations. This applies regardless of the entity's legal form or the university's ownership stake.

## Section 2. Objectives of Group steering

These Group guidelines support the management and ownership steering of the Jyväskylä University Group so that, when applicable, the Group is managed and steered using unified principles.

The objective of Group steering is to

- ensure that the strategy and ownership policy outlines of the University of Jyväskylä are implemented as planned, and that the functions of the Group work well together strategically
- promote activities that are financially, operationally and ethically sustainable
- ensure good governance
- define risk management and internal supervision in the Group
- increase operational transparency and ensure the effective flow of information.

## Section 3. Group structure and definitions

The Jyväskylä University Group includes the following:

- the University of Jyväskylä as the parent entity
- the University's subsidiaries
- subsidiaries over which the University exercises control, as defined in the Accounting Act, either alone or jointly with other entities belonging to the Group.

## Section 4. Group management at the University

The Group management is responsible for steering the Jyväskylä University Group and organising supervision over the Group. The management of the Jyväskylä University Group is formed of the University Board and the Rector. Operative Group management includes the Rector, the Finance and Service Director, the Director of Legal Affairs and any other persons invited by the Rector.

The University Board decides on the key principles of Group management, approves the Group guidelines and essential changes to them, decides on the strategic policies regarding the Group, monitors the financial and operational state of the Group and decides on significant changes related to the Group structure or ownerships.

The operative Group management approves the articles of association and regulations that apply to subsidiaries and foundations, and the shareholder agreements of subsidiaries and partnership companies as well as changes to these agreements.

The University's Rector leads the University Group in line with the outlines provided by the University Board, monitors the operations of the University Group's subsidiaries, and is responsible for reporting about the Group to the Board. The Rector issues the powers of attorney for each company's annual and extraordinary general meetings. In doing so, the Rector also provides the representative attending the general meeting with adequate guidance in accordance with the University's strategic guidelines. The Rector may, if they wish to do so, attend and speak at the board meetings of the University's subsidiaries.

Members of the Group's operative management may issue separate operational guidelines on matters within their remit.

## Section 5. Obtaining the owner's preliminary opinion

When making a decision on a significant matter, a subsidiary must obtain the owner's preliminary opinion during the preparatory phase. This opinion is obtained from the Group's operational management, which assesses the decision-making process and determines whether the matter requires processing by the University's governing bodies. Matters of significance concerning subsidiaries are brought before the University Board so that a preliminary opinion can be formed. Obtaining a preliminary opinion does not affect the legal status or responsibility of a subsidiary's management.

A preliminary opinion must be sought at least for the following matters:

- principally far-reaching or financially significant changes in the operations or the capital structure
- real estate and business acquisitions or significant asset sales
- investments not related to core operations or only indirectly related to them, as well as their financing
- the establishment of a subsidiary or shareholding in another company
- the granting of a capital loan, other borrowing and lending, collateral, guarantees or commitments equivalent to these, or any material changes to their terms, or other measures that would expose the entity to significant financial risks
- the selection or changing of a collective agreement applied to the entity
- the introduction or substantial amendment of a remuneration policy
- mergers, demergers, transfers of company assets in case of bankruptcy or liquidation, or filing for reorganisation proceedings.

Subsidiary-specific characteristics:

Unifund Jyväskylä Ltd operates as a fund management company that promotes the commercial exploitation of research results and expertise generated at the University of Jyväskylä. The company may hold shares in limited liability companies that are relevant to the achievement of these objectives. The requirement to seek a preliminary opinion for shareholding does not apply to Unifund Jyväskylä Ltd.

As a legal entity, Jamk University of Applied Sciences is a limited liability company, established under the Universities of Applied Sciences Act and the Limited Liability Companies Act, in which the distribution of profits, the composition and rights of the governing bodies, and the powers of the general meeting are all regulated separately as part of the governance of the higher education system.

In accordance with the current shareholder agreement, Jamk University of Applied Sciences must obtain a preliminary opinion in writing from all its owners regarding the following matters:

- business location and facility solutions
- petitions of appeal to the operating licence
- a significant or exceptional expansion, reduction or reorganisation of operations
- significant or exceptional investments or sales of assets

## Section 6. The administration and steering of subsidiaries

The Group guidelines, along with any amendments, shall be considered at general meetings and by the boards of directors of the subsidiaries. If the entity is not a limited liability company, the corresponding governing body shall consider them instead. Subsidiaries agree

to comply with the Group guidelines as well as any specific instructions the Group management has issued based on the guidelines, taking them into account in their decision-making and operations. A subsidiary operating as a parent company of a subgroup must ensure that the Group guidelines are also followed by its subsidiaries.

If individual guidelines based on the Group guidelines conflict with regulations that apply to the subsidiary, the valid legislation is followed. The subsidiary's management is requested to report any conflicts to the Group management.

The Group guidelines do not change the legal status or responsibility of the subsidiary's board or CEO.

## Section 7. The Group's reporting and the financial statement

The Group's finances are managed according to harmonised principles. Subsidiaries must submit the financial and operational data required for the Group's financial planning and consolidated financial statement to the Group's Financial Services in accordance with the schedule provided, follow the University's guidelines issued for this purpose, and report any material financial risks without delay.

The University of Jyväskylä's auditing firm serves as the auditor for the subsidiaries.

## Section 8. Monitoring and reporting

The operative Group management has the responsibility to monitor the subsidiaries of the Group.

Subsidiaries report to the Group's operational management on the development of their operations and finances, related risks, and the achievement of set targets.

When requested by the Group's operative management, subsidiaries must report any required information on their operations to the management.

Notices of meetings and other official documents of subsidiaries must be submitted to the address kirjaamo@jyu.fi.

The Rector will continue to report the most significant matters to the University Board.

## Section 9. Risk management and internal supervision

Subsidiaries must identify, assess and manage any risks related to their operations and report them to the group management.

The internal supervision and risk management of subsidiaries is primarily the responsibility of the board and the CEO of each subsidiary. The board and executive

management of a subsidiary must define the internal supervision and risk management principles for the subsidiary and ensure that they are adhered to.

The University Board can decide on directing an internal audit to a subsidiary to ensure a sufficient level of internal supervision and risk management in the subsidiary.

### Section 10. Ethical principles and responsibility

Subsidiaries define their ethical operating principles so that they comply with the ethical principles of the University of Jyväskylä (Code of Conduct).

### Section 11. Entry into force and updating of the guidelines

These Group guidelines will enter into force once the Board of the University of Jyväskylä has approved them. The guidelines will be updated when necessary, at least when there are essential changes in the Group structure or legislation.

### Section 12. Other principles and policies

The aim is to ensure that key policies and principles related to ethics, risk management, internal supervision, good governance, and compliance are applied as consistently as possible throughout the University Group. The operative Group management will process the Group-level policies and principles, which are confirmed in compliance with normal decision-making procedures. The operative Group management is responsible for communicating Group-level policies and principles to subsidiaries.