

GUIDELINES FOR INSIDERS

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INTRODUCTION AND SUMMARY

Nasdaq Helsinki Ltd (**the Exchange**) has prepared insider guidelines (the **Guidelines** or **Guidelines for Insiders**) for aid and use of companies listed on the market places of Nasdaq Helsinki Ltd when applying the Market Abuse Regulation (MAR) and for the purpose of clarifying the models of operation in the securities market.

In these Guidelines, the term listed company means a public or private limited liability company, as referred to in the Finnish Limited Liability Companies Act (624/2006), a company referred to in the Act on European Companies (742/2004), or a foreign entity comparable with a limited liability company, cooperative or another entity, the share, cooperative share, bond or other financial instrument issued by which is, based on its application, request or approval, traded at the Exchange or at the Nasdaq First North Growth Market Finland market place or at the Nasdaq First North Bond Market market place (**listed company**).

The Guidelines cover exchange-listed companies, issuers of bonds (including municipalities), listed funds (fund management companies) for instance. The Guidelines also apply to First North companies and cooperatives, the share, cooperative share, bond or other financial instrument issued of which are traded at the Nasdaq First North Growth Market Finland or at its Premier or Cooperatives segment or at Nasdaq First North Bond Market market place. The terms "listed company" and "company" used in this Guideline refers also to cooperative issuers. Also, what the Guideline stipulates on share, is applicable to a cooperative share and to a cooperative investment share.

The Guidelines are applied on these market places, but they are regarded as good securities market practice even in trading outside these market places. The Guidelines are also applied to an issuer who has applied for listing for its financial instrument at the above mentioned markets.

These Guidelines are divided into three parts:

- **PART 1 Guidelines for Insiders;**
- **PART 2 Guidelines on trading restrictions and on notifying transactions by persons discharging managerial responsibilities and persons closely associated with them; and**
- **PART 3 Management and supervision of insider issues**

The aim of the Guidelines issued by the Exchange is to gather in one place and describe the major regulations in force that govern insider issues and trading restrictions. These Guidelines also comprise central instructions on the administration of insider issues.

These Guidelines contain the most important provisions on insider issues included in the Market Abuse Regulation and Commission Implementing Regulation (EU) 2022/1210 (**Implementation Regulation on Insider Lists**). Said regulations are applied as such in all member states of the European Union. In addition, the guidelines as well as Question and answers documents issued by the European Securities and Markets Authority (ESMA) contain more detailed provisions and instructions on insider issues.

The Guidelines have been supplemented with explanatory text sections. These sections are usually separated from the actual text of the Guidelines as indents in italics. As the Guidelines concentrate on the main features of EU regulations and it is not possible to include all details in the Guidelines, the precise details must be checked from the Market Abuse Regulation (including changes), its implementation regulations and instructions and Question and answers documents issued by ESMA and the Finnish Financial Supervisory Authority. The purpose of the Guidelines and the explanatory sections is to help a company comply with the Market Abuse Regulation and give guidance in this respect.

It is part of the nature of a listed company's operations that its management and other insiders may possess inside information, which would be likely to have a significant effect on the prices of financial instruments issued by the listed company. The inside information is confidential until disclosed or otherwise made available to the market or when, for instance, a project concerning it has expired or been terminated. The information may not be exploited nor an attempt made to exploit it. The information may not either be given to third parties, nor is it allowed to recommend or induce another person to carry out insider dealing or disclose inside information illegally unless such disclosure takes place in the normal course of the disclosing person's employment, profession or duties. The management and other insiders of the company may also have other confidential information that is not considered as inside information and which shall be handled in accordance with the general handling regulations of such information and the internal guidance issued by the company.

Listed companies and persons acting on their behalf or on their account shall each maintain insider lists. All persons who have access to inside information and who work for a listed company under a contract of employment, or otherwise perform tasks through which they have access to inside information, such as advisers, accountants or credit rating agencies shall be entered in an insider list.

The fact that the management of a listed company has holdings in the company is in the best interest of both the listed company and its shareholders. The notification and disclosure of transactions made by persons discharging managerial responsibilities in listed companies give investors the opportunity to monitor their holdings and simultaneously contributes to confidence in the securities market and increases transparency. The fact that transactions made by persons closely associated with the management of a listed company with securities and financial instruments issued by the company shall also be notified and disclosed also contributes to confidence and transparency.

The trading practices of persons discharging managerial responsibilities in a company must maintain confidence in the securities market. The confidence in the market is also increased by restricting the trading of the company management and other persons before financial information is disclosed.

According to the Market Abuse Regulation, listed companies do not any longer have to maintain a public insider register after 3 July 2016..

Summary of the Guidelines for Insiders (PART 1):

- **a listed company shall handle inside information carefully and in such a manner that its confidentiality is not jeopardised**
- **in addition to separate insider lists concerning inside information (event-based insider list), listed companies may draw up a list of permanent insiders (permanent insiders), in which case permanent insiders are not entered in event-based insider lists**
- **a listed company is always responsible for drawing up the insider lists and for keeping them up-to-date, even if it had outsourced the task. The persons acting on company's behalf or on its account shall each draw and maintain separate insider list**
- **the prohibition against insider dealing and unlawful disclosure of inside information covers all natural and legal persons who possess inside information, regardless of where and how they have obtained the information**
- **inside information may not be disclosed to another person unless this takes place in the normal course of the disclosing person's employment, profession or duties**
- **a listed company shall instruct the persons entered in the insider list on their obligations and any possible consequences**
- **listed companies shall monitor and supervise the proper management of insider issues**

- **An insider list shall be delivered to the Financial Supervisory Authority at request as soon as possible**

Summary of the guidelines on trading restrictions and on notifying transactions by persons discharging managerial responsibilities and persons closely associated with them (PART 2):

- **a director, the managing director or other person discharging managerial responsibilities in a listed company may not make transactions with the listed company's securities or financial instruments related to them during a closed period of 30 days before a financial report of the listed company is made public (closed period)**
- **it is not recommended that a person who has participated in preparing a listed company's financial report and who has been defined by the listed company make transactions with the listed company's securities or financial instruments related to them during a closed period of 30 days before a financial report of the listed company is made public (closed period)**
- **in exceptional cases, the listed company may allow trading during the closed period**
- **a person discharging managerial responsibilities in a listed company shall notify all transactions made on his or her own account to the Financial Supervisory Authority and the listed company without delay and three working days from the execution of the transaction at the latest**
- **a person closely associated with a person discharging managerial responsibilities shall notify all transactions made on his or her own account to the Financial Supervisory Authority and the listed company without delay and three working days from the execution of the transaction at the latest**
- **a listed company shall make public the transactions by the management and closely associated persons within two working days from the receiving of the notification of transaction**

Summary of the management and supervision of insider issues (PART 3):

- **training and distribution of information: a listed company shall ensure that persons included in the insider lists as well as persons covered by the trading restriction and notification requirement recognise their position and its impacts**

- **a listed company shall have these Guidelines for Insiders available for those applied**
- **a listed company shall take care of arranging insider management**
- **a listed company shall appoint a person responsible for insider issues, a person in charge of the insider lists and a person responsible for the management of the trading restriction and the requirement to notify and disclose transactions**
- **a listed company may arrange a prior information procedure, which means that a person discharging managerial responsibilities or some other person defined by the company covered by the closed period restriction may request an assessment of whether a planned transaction with a financial instrument is in accordance with the law and these Guidelines**
- **a listed company shall have a procedure through which persons employed by the listed company may notify internally within the listed company, through an independent channel, a suspected abuse of regulations and provisions concerning the financial market (whistle blowing).**

ENTRY INTO FORCE

The Guidelines are effective from the date mentioned down in the footer.

PART 1: GUIDELINES FOR INSIDERS

1.1 PURPOSE AND REGULATORY FRAMEWORK

The purpose of these Guidelines is to unify and intensify the handling of insider issues and thus increase confidence in the operations of the securities market. Insider regulations apply to all persons who have access to inside information or who possess inside information.

A mere doubt that unpublished information may have been used in securities trading undermines general confidence in the securities market. The undermining of confidence often also harms the listed company the employee or manager of which the person under suspicion is.

The Guidelines include the most essential instructions applicable to insider issues and their administration.

Attached there is a list of most important applicable regulations and guidelines, such as guidelines and opinions (Q & As) by ESMA and the Finnish Financial Supervisory Authority. Some references are made to these regulations and interpretations in the Guidelines. When using the Guidelines the applicable regulations in force and changes thereto as well as the latest Q & As should be taken into consideration. Materials are available for example at the websites of ESMA (esma.europa.eu) and the Finnish Financial Supervisory Authority (finanssivalvonta.fi).

The Guidelines are part of the set of rules issued by the Exchange, and listed companies must follow them in their operations. A listed company shall notify that it complies with the Guidelines for Insiders of the Exchange and describe the most important procedures in its insider management in its annual Corporate Governance Statement¹.

A listed company shall have insider guidelines for its own operations in which it can supplement the Guidelines of the Exchange with its own additional rules and descriptions. However, persons who have been entered in an insider list and who have obtained inside information

¹ The Corporate Governance Statement shall be made in accordance with the Securities Markets Act (7:7 §) and the Regulation of Ministry of Finance on the periodic disclosure obligation of the issuer of a security (MoF R 1020/2012). In addition the Corporate Governance Code (new Code to be applicable from Jan 1, 2025) published by the Securities Markets Association is applicable to issuers of shares.

as well as persons discharging managerial responsibilities in a listed company and persons closely associated with them shall always be personally responsible for complying with the Market Abuse Regulation, regulations issued based on it as well as the provisions included in these Guidelines.

1.2 SCOPE OF APPLICATION AND DEFINITIONS

1.2.1 General scope of application

These Guidelines shall be applied to listed companies and to persons discharging managerial responsibilities in them as well as to persons who have access to inside information. These Guidelines shall also be applied to any persons otherwise acting on behalf of a listed company or on its account when they perform tasks through which they have access to inside information.

1.2.2 Insider lists

A listed company shall draw up insider lists and update them in an electronic format. In addition to separate insider lists concerning inside information (event-based insider list), listed companies may draw up a supplementary section concerning permanent insiders (permanent insiders). Permanent insiders are only persons with continuous access to all inside information that concerns the listed company.

If a listed company draws up a supplementary section concerning permanent insiders, permanent insiders may be, for instance, directors, the managing director and chief financial officer as well as other employees who have regular access to all inside information.

All persons who have access to inside information, including any external consultants, accountants and auditors, for instance, shall be entered in an event-based insider list. Permanent insiders are not entered in event-based insider lists, if the listed company has drawn up a separate supplementary section on permanent insiders.

In addition, a listed company shall draw up and maintain a separate list of persons discharging managerial responsibilities and persons closely associated with them (natural or legal person). This list is not an insider list (see Section 2, item 2.4.1).

1.3 INSIDE INFORMATION

1.3.1 Definition of inside information

Inside information is defined in the Market Abuse Regulation (Article 7(1)). Inside information is information of a precise nature, which has not been made public, relating, directly or indirectly, to one or more listed companies or to one or more financial instruments. Such information would, if it were made public, be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments.

Thus, it is required of inside information that it is both (i) of a precise nature and (ii) that it is likely to have a significant effect on the prices of financial instruments or on the price of related derivative financial instruments. Information shall be deemed to be of a *precise nature* if it indicates a set of circumstances which exists or which may reasonably be expected to come into existence, or an event which has occurred or which may reasonably be expected to occur, where it is specific enough to enable a conclusion to be drawn as to the possible effect of that set of circumstances or event on the prices of the financial instruments or the related derivative financial instrument. Information which, if it were made public, would be *likely to have a significant effect* on the prices of financial instruments or related derivative financial instruments shall mean information a reasonable investor would be likely to use as part of the basis of his or her investment decisions.

Inside information may include information on, e.g.:

- *any essential change in the company's result and financial position;*
- *a merger or division of the company or other significant corporate arrangement; and*
- *a share issue, a purchase or redemption offer or another change relating to the shares of the company, such as the combining or division of shares or share series.*

Inside information may have connections with the securities of several listed companies, for example if company A concludes a supply contract with company B and company C. The significance of the information must be evaluated separately in each of these companies. It is possible that, due to differences between the companies (such as differences in size, fields of operation), information on the contract shall be inside information

with regard to the securities issued by company B but not with regard to the securities issued by companies A and C.

It should be noted that the type of the financial instrument also has bearing on whether the information is inside information. For instance a piece of information that would be likely to have a significant impact on the prices of shares issued by a listed company does not necessarily have a corresponding price impact on the prices of bonds issued by said listed company. In case of an issuer of a bond, special attention is paid to whether the matter has an impact on the solvency or liquidity of the issuer of the bond or its ability to take care of its commitments.

Any questions of interpretation related to inside information are ultimately resolved before a court of law, case by case. The concept of inside information is also essentially defined by the EU Commission, ESMA and the Court of Justice of the European Union. In questions of interpretation, a national court of law may place a question on the interpretation of the EU law to the Court of Justice of the European Union.

A listed company shall define whether a specific issue concerns inside information or not. A listed company shall handle inside information carefully and in such a manner that its confidentiality is not jeopardised.

1.3.2 Public disclosure of inside information and the delay procedure

A listed company shall inform the public as soon as possible² of inside information that directly concerns that listed company. Disclosure to the public of inside information may be delayed, however, on the company's own responsibility provided that all of the following conditions are met:

- a) immediate disclosure is likely to prejudice the legitimate interests of the listed company³

ESMA has issued a list of examples of legitimate interests of issuers to delay inside information.

² Article 17(1) of the Market Abuse Regulation.

³ Article 17(4)a of the Market Abuse Regulation.

ESMA's guidelines⁴ contain following examples of legitimate interests of issuers to delay the disclosure of inside information:

- ongoing negotiations, where the outcome of those negotiations would be likely to be affected by public disclosure*
- the information is related a situation where the financial viability of the listed company is in grave and imminent danger, and where such a public disclosure would seriously jeopardise the interest of shareholders by undermining the conclusion of specific negotiations designed to ensure long-term financial recovery*
- decisions taken or contracts made by the management body of a listed company which need the approval of another body of the listed company in order to become effective, where the organisation of such a listed company requires the separation between those bodies, provided that public disclosure of the information before such approval, together with the simultaneous disclosure that this approval is still pending, would jeopardise the correct assessment of the information by the public*
- the information is related to progress in product development, patents, inventions, etc. and the issuer needs to protect the progress before the matter is disclosed*
- the information is related to the listed company's decision to sell or buy a major holding in another company, and the deal may fail with premature disclosure*
- the information is related to a previously disclosed transaction requiring approval by authorities. In these situations, the disclosure of additional conditions imposed by an authority may be delayed if the disclosure might jeopardise the transaction.*

b) the delay in the disclosure is not likely to mislead the public⁵

⁴ ESMA: MAR Guidelines, Delay in the disclosure of inside information, 20/10/2016 | ESMA/2016/1478 EN, latest update 13/04/2022, ESMA 70-159-4966 FI. The Financial Supervisory Authority has entered the MAR Guidelines into force on December 20, 2016, see Regulations and guidelines of the Financial Supervisory Authority, 6/2016, 1.12.2016, latest update 13.6.2022.

⁵ Article 17(4)b of the Market Abuse Regulation.

ESMA's guidelines⁶ present following examples of situations where the delay in the disclosure is likely to be misleading (and delay is therefore not possible in these situations):

- the information the listed company intends to delay the disclosure of is materially different from a previous disclosure of the listed company on the matter*
- the information the listed company intends to delay the disclosure of regards the fact that the listed company's financial objectives are likely not to be met, where such objectives were previously publicly announced*
- the information the listed company intends to delay the disclosure of is in contrast with the market's expectations, where such expectations are based on signals that the issuer has previously set*

c) the listed company is able to ensure the confidentiality of that information⁷.

If the preconditions for a decision on delaying information are met, the listed company shall make a decision to delay the disclosure of inside information⁸⁹, document the decision and establish an insider list for said inside information.

Usually the decision to delay disclosure and the establishment of an insider list take place simultaneously.

After the decision, the listed company shall ensure that all preconditions of delayed disclosure are met during the entire delay procedure, i.e. until the inside information has been made public or the project has expired. If the confidentiality of the information to be delayed can no longer be ensured, the listed company shall disclose

⁶ ESMA: MAR Guidelines, Delay in the disclosure of inside information, 20/10/2016 | ESMA/2016/1478 EN, latest update 13/04/2022, ESMA 70-159-4966 FI. The Financial Supervisory Authority has entered the MAR Guidelines into force on December 20, 2016, see Regulations and guidelines of the Financial Supervisory Authority, 6/2016, 1.12.2016, latest update 13.6.2022.

⁷ Article 17(4)c of the Market Abuse Regulation.

⁸ The Advisory Board of Finnish Listed Companies has drawn up a template "PÄÄTÖS SISÄPIIRITIEDON JULKISTAMISEN LYKKÄÄMISESTÄ". The template is available on the website of the Securities Market Association (cgfinland.fi).

⁹ The Financial Supervisory Authority: Kysymyksiä ja vastauksia (Q&A) - Sisäpiiritiedon julkistaminen ja julkistamisen lykkääminen (MAR 17 artikla).

said inside information as soon as possible. This concerns for instance situations where there are rumours in the market about the inside information that are precise enough to show that the inside information has not remained confidential.

When a listed company discloses delayed inside information, the Financial Supervisory Authority shall be notified of the delayed disclosure without delay.¹⁰ The reasons why the preconditions for delaying the disclosure of information were met shall be kept¹¹ and sent to the Financial Supervisory Authority at its request.

The reasons why the preconditions for delaying the disclosure of information were met shall be kept at least for five years.

1.3.3 Basis on which an insider list is drawn up

An insider list has to be drawn on inside information if the disclosure of that inside information has been delayed according to the Market Abuse Regulation (see Guideline 1.3.2). A project shall in the Guidelines refer to a measure or an arrangement that can be individualised and that is subject to confidential preparation within the listed company, which according to the listed company, is inside information and on the delayed disclosure of which the listed company has decided.

Matters subject to the regular disclosure obligations, e.g. the preparation of a half-yearly report, an annual financial statement or other periodically disclosed financial report, such as interim report, shall not in general be deemed projects. A listed company should however assess whether a financial report under preparation includes inside information (or not), and accordingly, either disclose the inside information as soon possible or decide to delay the disclosure of it and establish a project with insider list¹². If a project is not established, it

¹⁰ The Advisory Board of Finnish Listed Companies has drawn up a template "PÄÄTÖS SISÄPIIRITIEDON JULKISTAMISEN LYKKÄÄMISESTÄ". The template is available on the website of the Securities Market Association (cgfinland.fi). The Financial Supervisory Authority has published a notification template "Notification of delayed disclosure of inside information" ("Sisäpiiritiedon julkistamisen lykkäämisilmoitus").

¹¹ There is a relief under MAR regarding the issuers (First North companies) on the SME Growth Market effective from Jan 1, 2021. The Financial Supervisory Authority states in its Market Newsletter 2/2020 as follows: "Under the new provision added to Article 17(4) of MAR, as long as the issuer is able to justify its decision to delay, the issuer shall not be required to keep a record of that explanation. In practice, SME growth market issuers are exempted from the obligation to document in writing that the conditions for delay have been fulfilled and that they remain in force. The issuer must, however, be able to provide justifications with regard to conditions for delay later, if necessary. The FIN-FSA draws attention to the fact that it may be challenging later to remember the various stages of the delay in disclosure, particularly in cases of protracted delays. Issuers should therefore assess in advance the need for up-to-date documentation of the conditions for delay."

¹² The Financial Supervisory Authority: Kysymyksiä ja vastauksia (Q&A) - Sisäpiiritiedon julkistaminen ja julkistamisen lykkääminen (MAR 17 artikla).

is recommended that a listed company give instructions concerning the closed period in order to restrict the trading of persons who participate in the drawing up of said financial report and who, according to the company's view, possess significant confidential information about the contents of the financial report. This matter is discussed in detail in Part 2 of these Guidelines.

As it may, for instance, become necessary to disclose a profit warning as the financial report is being prepared, it is in the interest of the listed company to restrict the trading of persons who participate in preparing financial reports or get information on the preparation.

A listed company may also treat the preparation of financial reports as a project. In this case, the listed company shall also follow the procedure for delaying disclosure and draw up an event-based insider list for the project.

The inside information on profit warning must be disclosed as soon as possible, and the disclosure of it cannot be delayed.

In arrangements between two listed companies the inside information may apply to one of the companies alone or both companies.

Typical situations in which a decision may be made on delaying disclosure and that may be regarded as projects are, e.g.:

- significant corporate acquisitions and business-sector arrangements;
- significant reorientation of business operations, significant recovery plans and profit improvement programmes;
- significant co-operation agreements;
- significant corporate acquisitions;
- takeover bids and significant share issues; and
- other inside information the disclosure of which has been delayed.

A significant measure that is based on the listed company's own research and development activities may also constitute a project.

According to the Rules of the Exchange, the obligation to publish information does not as such mean that the information that is subject to the disclosure obligation is deemed a project. For example, a proposal on the distribution of dividend or the acquisition of own shares need not usually be deemed a project unless inside information the disclosure of which the company must delay is related to it.

If the listed company makes public that it is preparing a measure or an arrangement, this measure or arrangement shall not usually be deemed a project after disclosure, unless issues relating to further preparations or not yet disclosed are deemed inside information.

1.3.3.1 Stage of a measure or arrangement

When the inside information concerns a set of measures or arrangement being prepared, a competent corporate body must issue a specific decision or other comparable statement concerning preparations to be made for the realisation of the measure or arrangement. For example, a general review discussed by the Board of Directors containing information on several potential corporate acquisition and/or corporate transaction opportunities that are subject to initial preparation does not usually require the establishment of an event-based insider list. An interim stage of a long-term process shall be deemed inside information, if it as such fulfils the criteria for inside information.

Preliminary surveys made during the preparation stage need not be considered projects. For example, initial surveys and analyses of the target company in a corporate acquisition or alternative solutions do not constitute a project.

A bilateral corporate acquisition may progress as follows, for instance. The dashed line depicts the time when the arrangement has progressed to a stage where it must, at the latest, be regarded as inside information¹³ on which a decision on delayed disclosure must be made and on which an event-based insider list must be established:

- *Initial analyses and surveys*
- *Contact with advisors*
- *Initial contacts*

¹³ The precondition for regarding an arrangement under preparation as inside information is that the arrangement must be so significant for the listed company that, were it carried out, it would be likely to have a significant effect on the prices of financial instruments of the listed company or on the price of related derivative financial instruments.

- *First meeting with the other party*
- *Initial discussions with the other party*
- *Parties favourably disposed to further discussions*
- *Parties sign a non-disclosure agreement*
- *The listed company makes a decision or other comparable statement to continue with preparations in the matter*

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- *Negotiations on the terms and structure of the acquisition/letter of intent*
 - *Due diligence, management presentations, etc.*
 - *Definition of the final terms of the acquisition*
 - *The listed company approves the arrangement*
 - *The parties sign an agreement or a preliminary agreement*
 - *Publication and notice on delayed disclosure to the Financial Supervisory Authority*

If the listed company participates in an auction as a buyer, the establishment of a project may be moved forward from the time when the first bid was made. However, the arrangement should be considered a project at least once the listed company has been informed of its inclusion in the second/actual bid round. The need to establish a project also depends on the number of other potential buyers and the strategic intent of the bidder with respect to closing the final acquisition.

Auction (the listed company as buyer):

- *Initial contact by the seller*
- *Parties sign a non-disclosure agreement*
- *Reception of an Information Memorandum which contains information on the target company*
- *Initial bid, not binding*
- *The listed company is informed of being included in the second/actual bid round*

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- *Due diligence, target company's management presentations, etc.*
 - *Binding bid*
 - *Negotiations concerning the terms of the bid*
 - *The Board of Directors approves the acquisition*
 - *The parties sign an agreement or a preliminary agreement*

- *Publication and notice on delayed disclosure to the Financial Supervisory Authority*

If the listed company itself initiates the arrangement, it should be considered a project earlier than when the arrangement is initiated by some other party. In the latter case, it may take more time and effort to determine the listed company's strategic intent. For example, an auction where the listed company acts as seller should be considered a project earlier than if the listed company acts as buyer. In this case it may be justified to establish a project, e.g. once the listed company has made a decision to commence preparations for a disposal or has given an assignment to an investment bank for executing the disposal.

The target company must usually regard a takeover bid as a project and make a decision on delayed disclosure, if the criteria for delayed disclosure according to the Market Abuse Regulation are met already at the stage when the listed company has reasonably assessed that the contact is made with serious intent. A contact may be considered serious when, e.g. the Board of Directors has found it justified to take action in the matter or has entered into negotiations with the bidder, or when the Board of Directors has otherwise decided to take concrete steps to commence preparing the matter.

If the impact of the arrangement on the price of the listed company's financial instrument may reasonably be assumed to be especially significant, the arrangement may be regarded as a project at an earlier stage than usual. The listed company may classify a measure or an arrangement as a project even if it fails to meet all the criteria for a project.

A measure or an arrangement should usually be considered a project, if the listed company has objectively evaluated at the time of assessment that it is reasonable to assume that the measure or arrangement under preparation will be realised.

The measure or arrangement does not constitute a project if the likelihood for the realisation of the project is low or if the realisation of the project is clearly more unlikely than likely.

1.3.3.2 Co-operation of another party

If the measure or arrangement requires the co-operation of another party, it usually constitutes inside information only when the said other party has informed the listed company of having taken concrete steps in the matter aiming at the realisation of the measure or arrangement.

Significant measures directed at the listed company at another party's initiative that require the listed company's co-operation, such as establishing a joint venture, a co-operation agreement, takeover bid or other measure directed at the listed company may also constitute a project.

A preliminary positive attitude or participation in preliminary negotiations shall usually not as such be deemed preparations aiming at realisation.

The listed company is not obliged to establish a project as long as it has not learned of any decision made by the other party to take steps aiming at the realisation.

1.4 PROHIBITED USE OF INSIDE INFORMATION

1.4.1 Prohibition against the use of inside information

The use and unlawful disclosure of inside information is prohibited. The prohibition against insider dealing and unlawful disclosure of inside information covers all natural and legal persons who have inside information, regardless of how and where they have obtained the information, when the person knows or ought to know that he or she possesses inside information.

A person shall not

- engage or attempt to engage in insider dealing;
- recommend that another person engage in insider dealing or induce another person to engage in insider dealing; or
- unlawfully disclose inside information.

According to chapter 51 of the Penal Code, the abuse of inside information shall be punishable as a normal and gross act. In addition to the acquisition or disposal of a financial instrument, the cancellation or amendment of an order regarding a financial instrument shall be punishable. The use of inside information by advising another person in the acquisition or disposal of a financial instrument or in the cancellation or amendment of an order regarding a financial instrument shall also be punishable. Unlawful disclosure of inside information may

also lead to criminal liability.¹⁴ In addition, the Financial Supervisory Authority has the right to impose administrative penalties for a breach against insider regulations. The Financial Supervisory Authority may leave a request for investigation to the police, in which case the police will launch judicial investigations.

1.4.2 Insider dealing

Insider dealing is defined in the Market Abuse Regulation (Article 8). Insider dealing arises where a person possesses inside information and uses that information by acquiring or disposing of, for his or her own account or for the account of a third party, directly or indirectly, financial instruments to which that information relates. The use of inside information by cancelling or amending an order shall also be considered to be insider dealing.

The Market Abuse Regulation also defines separately such legal situations and procedures that are in certain situations not regarded as insider dealing (Article 9). Even though a deal had been made within the frames of legal procedures set out in the Regulation, an infringement of the prohibition of insider dealing may still be deemed to have occurred if the Financial Supervisory Authority as the competent authority establishes that there was an illegitimate reason for trading and other behaviours (Article 9(6)).

1.4.3 Recommendations and inducement

It is also forbidden for a person who possesses inside information to recommend, on the basis of that information, that another person acquire or dispose of financial instruments to which that information relates, or induce that person to make such an acquisition or disposal. It is also forbidden to recommend that another person cancel or amend an order concerning a financial instrument or induce that person to make such a cancellation or amendment.

1.4.4 Unlawful disclosure of inside information

Unlawful disclosure arises where a person possesses inside information and unlawfully discloses that information to any other person, except where the disclosure is made in the normal exercise of an employment, a profession or duties (Article 10(1)).

Inside information may be disclosed to another person only if this takes place in the normal course of the disclosing person's employment, profession or duties to

¹⁴ The national regulation on punishment regarding the disclosure of inside information has entered into force on 3 July 2016 (521/2016).

an advocate or auditor, for instance, in connection with an order relating to the information.

Disclosure shall be deemed to have taken place in the normal course of the disclosing person's employment, profession or duties even regarding "market sounding" (Article 11(1)), if the party disclosing the information observes the requirements that the Market Abuse Regulation places on acceptable market sounding. When a listed company or an adviser acting on behalf of it contacts a major shareholder of the listed company in order to find out if there are preconditions for carrying out a share emission, this may be regarded as market sounding.¹⁵

1.4.5 Prohibition on dealing

A listed company shall instruct persons entered in insider lists in such a manner that abuse of inside information can be prevented.

When a listed company has made a decision on delaying disclosure of inside information, determined a measure or an arrangement under preparation as a project and drawn up an insider list thereon, those entered in the list shall be prohibited from all trading in the listed company's securities and related derivative instruments as well as other financial instruments and other related transactions until the project expires or is made public.

The instructions relating to trading carried out by persons in the insider list may also apply to trading in financial instruments of another listed company as well as to the general confidentiality obligation. Such instructions may be necessary even if the listed company did not, from its own point of view, consider a measure or an arrangement under preparation a project.

If a project relates to another listed company (e.g. a significant corporate acquisition where the target is a listed company), the listed company shall prohibit the persons included in the insider list from trading in the shares of that other company, as well as any other

¹⁵ Provisions on market sounding and an exemption thereto can be found in Articles 11 (1.a), 11(3) and 11(5) of the Market Abuse Regulation. See also ESMA: MAR Guidelines, Persons receiving market sounding, 10/11/2016 | ESMA/2016/1477 EN. The Financial Supervisory Authority has decided that the MAR Guidelines, Persons receiving market sounding, enters into force on January 10, 2017; see Regulations and guidelines of the Financial Supervisory Authority, 6/2016, 1.12.2016. The Financial Supervisory Authority recommends that persons, falling under the scope of the MAR Guidelines, Persons receiving market sounding, follow the Guideline. Furthermore, ESMA: Questions and Answers on the Market Abuse Regulation (MAR).

financial instruments on the value of which the information has a significant effect.

A prohibition on dealing based on entry in an insider list cannot be issued retroactively.

The prohibition on dealing based on an insider list shall enter into force at the earliest when a person has received inside information. Regardless of the beginning of the prohibition on dealing, a person possessing inside information shall be responsible for complying with the valid regulations and instructions issued by the listed company.

1.5 PROVISIONS ON INSIDER LISTS

The provisions on insider lists and their drawing up and updating can be found in Article 18 of the Market Abuse Regulation and in the Implementation Regulation on Insider Lists. The Implementation Regulation on Insider Lists contains more detailed provisions on the precise form of insider lists and the manner of updating them. The Financial Supervisory Authority has also drawn up a separate template on which information on insider lists is delivered. If a listed company has authorized somebody to draw the insider list for the company, the listed company shall notify the person of the Guidelines for Insiders and the obligation to comply with them.

A listed company may maintain insider lists for instance on the template drawn up by the Financial Supervisory Authority or by some other electronic means that meets the requirements.

1.5.1 Obligation to maintain insider lists and list types

A listed company has the obligation to draw up an insider list of all persons who have access to inside information and who are working for them under a contract of employment, or otherwise performing tasks through which they have access to inside information, such as advisers, accountants or credit rating agencies. The same obligation applies to any person acting on the listed company's behalf or on their account. (Article 18)

A listed company shall also be responsible for insider list which is drawn up based on authorization to draw the list.

The listed company has always right to view such insider list¹⁶.

Also the advisor or other person acting on behalf or on account of the listed company shall draw up an insider list of its own¹⁷. This list, which is of responsibility of the advisor, shall also fulfil the requirements set out in the Implementation Regulation on Insider Lists.

In practice, a listed company:

- divides insider list as necessary to separate sections (separate projects, e.g. corporate acquisition). In this case, each section should only list the persons having access to the same specific piece of inside information.
- in addition to the above mentioned list, may draw up a supplementary section of the insider list, in which it enters the insiders who, due to the nature of their function or position, have access to all inside information within the listed company (permanent insiders). In this case, the persons entered in the permanent insider list are not entered in the event-based insider lists.

If a company draws up a supplementary section on permanent insiders, it is assumed that all permanent insiders entered in this supplementary section have obtained access to all inside information. It is therefore recommended that a listed company inform all persons entered in the supplementary section on the establishment of a new project without delay.

1.5.2 Maintenance and publicity of insider list and delivery to the Financial Supervisory Authority

Insider lists shall be updated in electronic format following a precise format so that it is not possible to alter them afterwards. With electronic formats of the list it must be made sure that the previous versions of the list may be accessed and retrieved.

Insider lists are not public, and a listed company is not obliged to make them available to the public.

¹⁶ ESMA: ESMA Q & A On the Market Abuse Regulation (MAR). See also the Market newsletter of the Financial Supervisory Authority (e.g. 2/2020).

¹⁷ ESMA: ESMA Q & A On the Market Abuse Regulation (MAR).

An insider list or its part shall be delivered to the Financial Supervisory Authority at request as soon as possible¹⁸.

1.5.3 Notification on entry in an insider list and information entered in it

1.5.3.1 Notification on entry in an insider list

A listed company shall inform a person belonging to an insider list in writing as soon as possible of his or her insider position in the listed company as well as of the obligations and possible consequences applicable to it.

Listed companies and any person acting on their behalf or on their account shall take all reasonable steps to ensure that any person on the insider list acknowledges in writing the legal and regulatory duties entailed and is aware of the sanctions applicable to insider dealing and unlawful disclosure of inside information. An notification on entry in an insider list may be given by e-mail, for example, in which case it is recommended to ensure that the notification has been received by, for instance, requesting that the person provide an answer by e-mail stating that the notification has been received.

1.5.3.2 Information to be entered in insider lists and their updating

A listed company is responsible for the fact that all persons possessing inside information are entered in an insider list without delay. The issuers of financial instruments admitted to trading on the SME growth market (Nasdaq First North Growth Market Finland and its Premier segment) must also include to their insider lists all persons referred in the article 18 (1 a) of MAR (Securities Markets Act chapter 12:2§, May 8, 2020/317)¹⁹.

In addition to separate insider lists concerning inside information (event-based insider list), listed companies may also draw up a supplementary section concerning permanent insiders (permanent insiders). The list or each of its sections shall only contain information about persons who have access to the relevant inside information. The detailed contents of insider lists are presented in the annexes of the Implementation Regulation on Insider Lists (EU 2022/1210):

¹⁸ See also templates for insider lists (sisäpiiriluetellomallit) on the MAR website of the Financial Supervisory Authority.

¹⁹ Issuers and any person acting on their behalf or on their account, shall each draw up a list of all persons who have access to inside information and who are working for them under a contract of employment, or otherwise performing tasks through which they have access to inside information, such as advisers, accountants or credit rating agencies.

The prohibitions of the use of inside information are valid regardless of if the person in question has been enter in an insider list or not. A person is always responsible for complying with regulatory duties related to inside information.

A listed company shall update information in the insider lists. The information shall be updated promptly, including the date of the update, in the following circumstances:

- where there is a change in the reason for including a person already on the insider list;
- where there is a new person who has access to inside information and needs, therefore, to be added to the insider list; and
- where a person ceases to have access to inside information.

Each update shall specify the date and time when the change triggering the update occurred.

An entry can be made in the insider list with regard to the fact that a person has not gained access to new inside information on a project after a certain date, for example in a situation where the contents of the project change substantially or a person's employment with the listed company is terminated. However, such an entry does not annul the legal implications of inside information received earlier during the project, such as the prohibition for abuse of inside information

It must be possible to verify later the date and time when the listed company notified an insider of his or her entry in the insider list. If the listed company has drawn up a supplementary section regarding permanent insiders, a person shall be removed from it as his or her employment is terminated.

1.5.3.3 Keeping of insider lists

A listed company shall keep the insider lists for a period of at least five years after a list has been drawn up or updated. The obligation also applies to person acting on behalf or on the account of a listed company.

1.5.4 Terminating an event-based insider list

An event-based insider list may be terminated once the project has been made public or it has expired. If the listed company discloses information concerning a project under preparation, there is no longer

a need to maintain an event-based insider list for the project, unless the disclosed information only covers a part of the project-related information or there are other, further projects related to the project that have not been disclosed. A notice of disclosed project where the disclosure of inside information has been delayed shall be made to the Financial Supervisory Authority without delay after the disclosure.

A project has expired when a party to the project has decided to terminate negotiations and there is a reason to believe that neither party will continue with the negotiations in the foreseeable future. A project also expires when a listed company has decided to no longer contribute to the project, if no other parties are included in the project. The expiration of the project and the reasons for it shall be documented, so that if negotiations are possibly resumed, it is possible to show the grounds on which the insider list was terminated at the time. Other parties to the project shall also be informed of the expiration of the project. No notice need to be made to the Financial Supervisory Authority on decisions to delay disclosure, if the project has expired.

With regard to takeover bids, see the Takeover Code 2022 of the Securities Market Association.

If a party that has terminated negotiations and its own event-based insider list is aware of the other party continuing negotiations with a third party, the listed company that has terminated negotiations shall attempt to determine the period during which the project-related information may constitute inside information from the perspective of the listed company that is continuing with the negotiations.

Those entered in the event-based insider list shall be informed of the termination of the project and event-based insider list in writing or in some other verifiable manner.

PART 2: GUIDELINES ON TRADING RESTRICTIONS AND ON NOTIFYING TRANSACTIONS BY PERSONS DISCHARGING MANAGERIAL RESPONSIBILITIES AND PERSONS CLOSELY ASSOCIATED WITH THEM

The trading practices of persons discharging managerial responsibilities shall maintain confidence in the securities market. The regulations on market abuse restrict the possibilities of persons discharging managerial responsibilities in listed companies to make transactions with the listed company's financial instruments before financial reports are disclosed. A company may also increase confidence in the market through trading restrictions covering other persons employed by the company before financial information is disclosed.

The fact that the management of a listed company has holdings in the company is basically in the best interest of both the listed company and its shareholders. Notification and disclosure of transactions made by persons discharging managerial responsibilities in listed companies gives investors the opportunity to monitor their holdings and simultaneously supports confidence in the securities market and increases transparency. The fact that transactions made by persons closely associated with the management of a listed company with securities and financial instruments issued by the company shall also be notified and disclosed also contributes to confidence and transparency.

2.1 PURPOSE AND REGULATORY FRAMEWORK

The Guidelines contain the central provisions on trading restrictions in listed companies and on the notification and disclosure responsibility of persons discharging managerial responsibilities in a listed company and persons closely associated with them. The Guidelines are part of the set of rules issued by the Exchange, and listed companies must follow them in their operations. A listed company may supplement the Guidelines of the Exchange with its own additional rules and regulations.

However, persons covered by the trading restriction, persons discharging managerial responsibilities in a listed company and persons closely associated with them shall always be personally responsible for complying with the Market Abuse Regulation, regulations issued based on it as well as the provisions included in the Guidelines of the Exchange.

2.2 SCOPE OF APPLICATION AND DEFINITIONS

The Guidelines are applied to:

- a listed company;
- persons discharging managerial responsibilities in a listed company;
- persons closely associated with persons discharging managerial responsibilities;
- the persons defined by a listed company who are covered by a trading restriction possibly set by a listed company according to these Guidelines

2.2.1 Notification requirement

Persons discharging managerial responsibilities in a listed company and persons closely associated with them shall notify all their transactions to the listed company and the Financial Supervisory Authority. The notification requirement applies to every transaction conducted on their own account relating to the shares or debt instruments of that listed company or to derivatives or other financial instruments linked to them. The notification requirement shall cover all business transactions on any market place or outside market places.

A listed company shall draw up and maintain a list of persons discharging managerial responsibilities and persons and entities closely associated with them.

2.2.2 Persons discharging managerial responsibilities:

A person discharging managerial responsibilities means a person within a listed company who is

- a) a member of the administrative, management or supervisory body of that entity; or
- b) a senior executive who is not a member of the bodies referred to in point above, who has regular access to inside information relating directly or indirectly to the listed company and power to take managerial decisions affecting the future developments and business prospects of the listed company²⁰

Persons discharging managerial responsibilities are, e.g. a member and deputy member of the Board of Directors or the Supervisory Board of a company, the Managing Director and his or her deputy as well as any other person belonging to the company's top management who receives inside information on a regular basis and is

²⁰ Article 3(1), item 25 of the Market Abuse Regulation.

entitled to make decisions on the company's future development and business outlook. Depending on the situation, a member of the company's management team or a member of the management of a major subsidiary may be a person discharging managerial responsibilities referred to in the Market Abuse Regulation. In the above-mentioned situation, a member of a subsidiary's management shall have the right to make decisions on future development and business operations. The representative body/council of a cooperative is not a part of the management of the cooperative, thus, the member of the cooperative body/council are not considered as persons discharging managerial responsibilities in the cooperative.

2.2.3 Closely associated person

A person closely associated with a person discharging managerial responsibilities shall mean the following persons²¹:

- a) a spouse, or a partner considered to be equivalent to a spouse in accordance with national law;
- b) a dependent child, in accordance with national law;
- c) a relative who has shared the same household for at least one year (on the date of the transaction concerned); and
- d) a legal person, trust or partnership, the managerial responsibilities of which are discharged by a "person discharging managerial responsibilities" or by a person referred to in point (a), (b) or (c), which is directly or indirectly controlled by such a person, which is set up for the benefit of such a person, or the economic interests of which are substantially equivalent to those of such a person²².

*A closely associated person may be, e.g. a limited liability company the Board member of which the person discharging managerial responsibilities is.*²³

²¹ The Financial Supervisory Authority: Kysymyksiä ja vastauksia (Q&A) – Johtohenkilöiden liiketoimet (MAR 19 artikla).

²² Article 3(1), item 26 of the Market Abuse Regulation.

²³ See ESMA and the Financial Supervisory Authority: ESMA; Question and Answers on the Market Abuse Regulation (MAR), update 6.7.2017 and the Market newsletter 2/2017 of the Financial Supervisory Authority.

2.2.4 Financial instruments covered by the notification requirement

Financial instruments covered by the notification requirement are, e.g.²⁴:

- listed and unlisted shares of listed companies
- a listed company's debt instruments, such as bonds and convertible loans, money market instruments (e.g. deposit certificates and commercial papers) as well as credit-linked notes;
- options, futures, swaps, forward rate agreements and any other derivative contracts relating to a listed company's share and debt instruments, derivative instruments for the transfer of credit risk and financial contracts for differences;
- index-related products and basket products (notification requirement if the weight of the listed company's financial instrument exceeds 20% in said products);
- shares and units in investment funds and alternative funds (notification requirement if the weight of the listed company's financial instrument exceeds 20% in said products).

2.2.5 Notifiable transactions

Article 19(7) of the Market Abuse Regulation and the Commission Delegated Regulation (EU) No 2016/522 supplemented by it define examples of transactions related to financial instruments that are covered by the above-mentioned notification requirement.

Those notifiable transactions shall include the following, for instance:

- acquisition, disposal, short sale, subscription, exchange, pledging, lending, gift and inheritance
- transactions in connection with unit-linked life insurance policies shall also be notified, if a person discharging managerial responsibilities or a person closely associated with such a person as policyholder bears the investment risk and if the policyholder has the power or discretion to make investment decisions regarding specific instruments in that life insurance policy or to execute transactions regarding specific instruments for that life insurance policy
- transactions executed by a third party under an individual portfolio or asset management mandate on behalf or for the benefit of a person discharging managerial responsibilities or a

²⁴ See the financial instruments listed in Appendix I, Section C of Directive 2014/65/EU (Appendix). See also Article 19(1) and 19(1)a of the Market Abuse Regulation.

person closely associated with such a person shall also be notified

The above mentioned lists of financial instruments and business transactions are not exhaustive, and consequently, the person required to notify shall check if a specific financial instrument²⁵ and business transaction²⁶ is covered by the notification requirement as set out in applicable regulations. The Financial Supervisory Authority has drawn examples for notifications of transactions by the persons discharging managerial responsibilities²⁷.

2.3 RESTRICTION ON TRADING

A person discharging managerial responsibilities in a listed company shall schedule the trading of financial instruments issued by the listed company so that the trading will not undermine confidence in the securities markets.

In practice it is recommended that a person discharging managerial responsibilities in a listed company make long-term investments in securities and other financial instruments issued by a listed company. It is also recommended to schedule the trading in these financial instruments to the moments when the market has as exact information as possible of the issues effecting on the prices of the securities and other financial instruments issued by a listed company (e.g. after the disclose of financial report).

What has been stated above about the trading of persons discharging managerial responsibilities also applies to the persons participating in the preparation of financial reports on which the company may have placed a trading restriction mentioned later in these Guidelines.

2.3.1 Closed period

A person discharging managerial responsibilities within a listed company may not execute transactions on his or her account or for the account of a third party during a closed period. Forbidden are transactions relating to the shares or debt instruments of a listed company or to derivatives or other financial instruments linked to them. Transactions may not be executed during a closed period of 30 days before the disclosure of an interim financial report or a financial

²⁵ See Article 3, item 1 (item 1) of the Market Abuse Regulation and the financial instruments listed in Appendix I, Section C of Directive 2014/65/EU (Appendix).

²⁶ See Article 19 of the Market Abuse Regulation and Article 10 the Commission Delegated Regulation (EU) No 2016/522, which contains a list of the transactions to be notified (Appendix).

²⁷ See examples on the MAR website of the Financial Supervisory Authority; Johtohenkilöiden liiketoimet ja suljettu ikkuna.

statement release of a listed company. In case an annual financial report includes non-disclosed information that may have material effect a closed period of 30 days applies²⁸.

The Securities Markets Act and the Rules of the Exchange require the disclosure of the financial statements, financial statements release and half annual report. In addition, a listed company may disclose other regular information about its result and financial position for three and nine months.

According to these Guidelines, the closed period is valid before the disclosure of a listed company's financial statement release and half-yearly report and before the publication of a financial report for three or nine months that the listed company discloses periodically.

The closed period ends at the time the financial statement release, half-yearly report or a financial report for three or nine months that the company discloses periodically is disclosed, unless the listed company has specified a longer period for the trading restriction.

2.3.2 A listed company's decision on a company-specific trading restriction

It is recommended that a listed company decide on a trading restriction related to the preparation, drawing-up and disclosure of the company's financial reports, unless the company has defined the drawing-up of the report as an insider project (event based insider list). The company shall define the persons covered by the trading restriction, other than those discharging managerial responsibilities, and the length of the restriction (closed period). For instance the length of the preparations, the number of persons participating in them and the size of the company may have an impact in these circumstances.

It is recommended that the closed period for persons participating in the preparation, drawing-up and disclosure of financial reports be set so that it corresponds to that of persons discharging managerial responsibilities.

2.3.3 Permission to trade during a closed period

A listed company may allow a person discharging managerial responsibilities or another person covered by the trading restriction to trade during a closed period under certain circumstances. A listed company may allow a person discharging managerial responsibilities

²⁸ See also ESMA: Questions and Answers on the Market Abuse Regulation (MAR).

or another person covered by the trading restriction to trade on his or her own account or for the account of a third party,

- a) on a case-by-case basis due to the existence of exceptional circumstances, such as severe financial difficulty, which require the immediate sale of shares or financial instruments other than shares; or
- b) due to the characteristics of the trading involved for transactions made under, or related to, an employee share or saving scheme and employees' schemes concerning financial instruments other than shares, qualification or entitlement of shares and qualifications or entitlements of financial instruments other than shares, or transactions where the beneficial interest in the relevant security does not change.

The listed company's possibility to grant permission for trading has been specified in Commission Delegated Regulation (EU) No 2016/522²⁹.

The articles 7 – 10 of the Delegated Regulation (EU) No 2016/522 clarifies the article 19 of the Market Abuse Regulation and also those situations in which the issuer can assess to permit trading or in which it has right to allow trading during the closed period. These regulations have to be taken into consideration when applying trading restriction and its exemptions mentioned later in the Guideline.

A listed company shall arrange its operations in such a manner that it may, when necessary, handle a trading request of a person discharging managerial responsibilities or another person covered by the trading restriction. The company shall issue the necessary instructions relating to this to persons covered by the trading restriction.

The prohibition to abuse inside information is also valid when exceptions are made from the trading restriction³⁰. A company may also arrange a procedure with prior information mentioned in Part 3 of the Guidelines (Prior assessment of a planned transaction).

2.3.4 Scope of the trading restriction

The restriction on trading is applicable to persons discharging managerial responsibilities within the listed company and other persons defined by the company as well as to any legally incompetent

²⁹ See also ESMA: Questions and Answers on the Market Abuse Regulation (MAR).

³⁰ See also ESMA: Questions and Answers on the Market Abuse Regulation (MAR).

persons under their custody or trusteeship. The restriction covers the execution of transactions for one's own account or for the account of a third party, directly or indirectly, for example through a legal person over which a person discharging managerial responsibilities exercises control.

A person covered by the trading restriction is responsible for compliance with the trading restriction even when the management of his or her securities and other financial instruments has been assigned to another person, such as a portfolio manager.

Furthermore, a listed company may issue guidelines to persons discharging managerial responsibilities with regard to the method of providing information on trading restrictions to, for instance, their spouses or other persons belonging to the scope of the notification requirement. In practice it is recommended that persons discharging managerial responsibilities notify closely associated persons of the trading restrictions relating to the closed period observed by the listed company. A person discharging managerial responsibilities may not, however, disclose inside information to closely associated persons.

2.3.4.1 Exception from the trading restriction

The trading restriction shall not be applied:

- when securities are subscribed or acquired directly from the listed company or from a company belonging to the same group of companies;
- when securities are received as redemption, merger or division consideration or as consideration in accordance with a public offer or in another comparable manner;

The purpose of this item is to cover takeover bids in accordance with the Securities Markets Act, obligations of redemption in accordance with the Limited Liability Companies Act as well as a duty of redemption under the Articles of Association of the listed company.

- when securities are received as dividend or as other distribution of the listed company profit;
- when securities are received as remuneration for work or other corresponding performance or service; or when
- securities are received as inheritance, under a will, as gift or in distribution of marital assets or in another comparable way.

2.3.4.2 Trading in securities based on an employment relationship or membership of an administrative body

It shall be possible to give instructions with regard to the sale of securities based on an employment relationship or membership of an administrative body and acquired or subscribed in accordance with a written program by the listed company so that the sale of such securities for the first time shall be possible by way of derogation from the restrictions of this section.

The prohibition for the abuse of inside information is also valid when exceptions are made from the trading restriction.

2.3.4.3 Separate schemes regarding the trading of persons discharging managerial responsibilities and other persons covered by the company's trading restriction

A listed company may aim to avoid suspicion related to the use of inside information in several ways. One way to avoid suspicion is to employ trading schemes described below when trading in the company's securities and other financial instruments.

The Market Abuse Regulation (Article 9) lists legitimate behaviour that is possible despite the prohibition to trade and use inside information.

It should be noted that, according to the Regulation, an infringement of the prohibition of insider dealing may still be deemed to have occurred if the Financial Supervisory Authority as the competent authority establishes that there was an illegitimate reason for trading and other behaviours.

The prohibition for the use of inside information according to the Market Abuse Regulation does not restrict a person's right to trade in financial instruments, if the acquisition or disposal of financial instruments is based on an agreement or order made before the person obtained inside information related to said financial instrument. Another requirement is, in this case, that the transaction is carried out in the discharge of an obligation that has become due in good faith and not to circumvent the prohibition against insider dealing.

The purpose of a trading scheme is to separate the time of decision regarding an equity transaction from the time of actually executing the transaction. In this case the assessment of existence of inside information is linked to the point in time at which the decision on the transaction was made and not the actual time of executing. An insider may submit a written order with individualised terms and conditions regarding trade in the listed company's securities, for instance. The order shall be submitted to a party who carries it out independently,

such as the insider's asset manager or stockbroker. To avoid prohibited use of inside information, such an order must be submitted at a time when the ordering party does not possess inside information. Any amendment, termination or cancellation of the trading scheme or the issuance of additional instructions shall be regarded a new decision or order and must be done at a time when the ordering party does not possess inside information. When it comes to amending and terminating a programme, special attention should be paid to the fact that the use of inside information by amending an order or annulling it is regarded as a punishable deed according to the Penal Code.

Furthermore, the following general principles usually apply to an order:

- *an order must not be issued at a time when trading is prohibited in accordance with a regulation or the listed company's own guidelines;*
- *an order includes terms and conditions regarding the time of acquisition and the number and price of the shares to be acquired or the grounds for determining these, specified in a manner that allows the assignee to independently carry out the order;*
- *an order shall be made in writing, dated and submitted to the assignee, as well as stored appropriately;*
- *if the order specifies an exact time of acquisition, the time should not be within a closed period prior to a disclosure of profit information, when the closed period is known in advance.*

2.4 NOTIFICATION AND DISCLOSURE OF TRANSACTIONS

2.4.1 List of persons discharging managerial responsibilities within a listed company and persons closely associated with them

A listed company shall draw up a list of all persons discharging managerial responsibilities and persons closely associated with them (Article 19(5) of the Market Abuse Regulation). The persons included in this list are covered by a specific duty to notify transactions, which is explained below.

This list is not an insider list. A listed company may maintain the list in excel format, for instance. The list shall contain sufficient identification information, such as the person's name, position in the listed company and date of birth. Of closely associated persons, the list shall include their names or company names, date of birth or business ID and a corresponding identification, and state to which person discharging managerial responsibilities

they are closely associated and the grounds for the association.

2.4.2 Listed company's duty to notify of the notification requirement concerning persons discharging managerial responsibilities

A listed company shall inform persons discharging managerial responsibilities in writing of their duties arising from Article 19 of the Market Abuse Regulation.

The notification may be made by using the template by the Advisory Board of Finnish Listed Companies, for instance.

2.4.3 Obligation of persons discharging managerial responsibilities to inform about the notification requirement concerning a closely associated person

Persons discharging managerial responsibilities shall inform closely associated persons of the notification requirement that concerns them. The notification shall be made in writing, and a person discharging managerial responsibilities shall keep a copy of it.

The notification to closely associated persons may be made by using the template by the Advisory Board of Finnish Listed Companies, for instance.

2.4.4 Notification requirement for persons discharging managerial responsibilities and persons closely associated with them

Persons discharging managerial responsibilities in a listed company and persons closely associated with them shall notify all transactions on their own account. The notification shall be made both to the listed company and the Financial Supervisory Authority. A person discharging managerial responsibilities and the persons closely associated with him or her are responsible for fulfilling the notification requirement even when management of his or her securities or the submission of notifications has been assigned to another person, such as a portfolio manager.

2.4.5 Time for making the notification

A notification on a transaction shall be made promptly and no later than three business days after the date of the transaction. The notification obligation begins, however, first when the total value of transactions, without netting, has reached the threshold for the notification requirement confirmed by the Financial Supervisory

Authority (Articles 19(1), 19(8) and 19(9) of the Market Abuse Regulation).

2.4.6 Notification requirement threshold in euros

The threshold for the notification requirement of transactions is EUR 20 000 (twenty thousand) during a calendar year. Acquisitions and disposals in different directions are not netted³¹.

In the Supervision release 2 December 2024, the FIN-FSA states that no such particular market conditions are to be identified in the Finnish markets that would warrant decreasing or increasing the threshold. Hence, the FIN-FSA has decided to apply the threshold of EUR 20 000 under Article 19(8) of MAR.

2.4.7 Manner of notification and more precise contents of the notification

The notification shall be made to the listed company and the Financial Supervisory Authority according to instructions issued by the Financial Supervisory Authority³².

2.4.8 Disclosure of transactions

According to Article 19(3) of the Market Abuse Regulation, a listed company shall make public promptly the transactions by persons discharging managerial responsibilities and the persons closely associated with them on their own account. In the disclosure, the listed company shall use such media as may reasonably be relied upon for the effective dissemination of information to the public.

The disclosure shall be made within two working days of receiving notification of the transaction. The normal manner of disclosing a listed company's stock exchange release may be used for the disclosure.

The listed company shall submit the information disclosed in the above-mentioned manner to the Officially Appointed Mechanism (disclosure storage) under the heading "Managers' transactions". This requirement covers only companies listed on the official list of the exchange.

³¹ The Financial Supervisory Authority: Kysymyksiä ja vastauksia (Q&A) – Johtohenkilöiden liiketoimet (MAR 19 artikla).

³² The Financial Supervisory Authority: Kysymyksiä ja vastauksia (Q&A) – Johtohenkilöiden liiketoimet (MAR 19 artikla).

The section 5 of the Chapter 12 of the Securities Markets Act governs the availability of the information of the transactions. Issuers admitted to trading on a regulated market or on a multilateral trading facility shall keep the transactions information available for public on its website for a period of time of at least five years. This covers transaction data notified and disclosed on the managers and their closely associated persons.

PART 3 MANAGEMENT AND SUPERVISION OF INSIDER ISSUES

3.1 Training and information

A listed company shall ensure that persons included in the insider lists as well as persons covered by the trading restriction and the notification requirement recognise their position and its impacts. It is advisable to schedule the training and the distribution of information, for instance:

- to the commencement of employment,
- when a person begins discharging managerial responsibilities; and
- when amendments take place in legislation or in provisions issued by authorities or the Exchange or the listed company's own instructions.

3.2 Making insider guidelines and regulations available

A listed company shall make these Guidelines or corresponding own instructions as well as other provisions concerning insiders available to at least the following persons:

- a listed company's persons who has or may have access to inside information;
- persons discharging managerial responsibilities in listed companies;
- persons closely associated with persons discharging managerial responsibilities in the listed company; and
- persons participating in the preparation of the company's financial report who are covered by the trading restriction set by the company.

3.3 Arrangement of insider management

3.3.1 Duties

A listed company shall take care of the following duties:

- internal information distribution on insider issues;
- training in insider issues;

- drawing up, maintenance and delivery of the insider list to the Financial Supervisory Authority (at request);
- obtaining approvals of persons included in the insider list;
- supervision of insider issues;
- thorough monitoring of changes in regulations concerning insider issues;
- internal distributing of information on matters pertaining to the trading restriction and notification requirement;
- training on the trading restriction and notification requirement;
- maintaining a list of persons with the notification obligation according to Article 19 of the Market Abuse Regulation;
- making notifications according to Article 19(5) of the Market Abuse Regulation to persons discharging managerial responsibilities;
- when necessary, instructing persons discharging managerial responsibilities on making notification according to Article 19(5) of the Market Abuse Regulation to the persons closely associated with the persons discharging managerial responsibilities;
- disclosure obligation according to article 19(3) of the Market Abuse Regulation;
- supervision of the trading restriction and notification requirement; and
- thorough monitoring of changes in regulations on the trading restriction and notification requirement.

3.3.2 Person in charge of insider issues, manager of insider lists and other personnel

A listed company shall appoint a person in charge of insider issues, who shall attend to the duties belonging to insider management.

A listed company shall have separately a person responsible for maintaining an insider list and his or her substitute, who shall attend to the practical duties relating to the insider list. Depending on the number of tasks within insider administration, the person in charge of insider issues may also take care of these duties.

A listed company shall appoint a separate person responsible for the management of the trading restriction and the obligation to notify and disclose transactions and a substitute for him or her. Depending on the number of tasks within insider administration, the person in charge of insider issues may also take care of these duties.

The duties of the manager of the insider list and the persons taking care of the disclosure of transactions notified by persons discharging managerial responsibilities

and the persons close associated with them may be assigned to different persons.

3.3.3 Prior assessment of a planned transaction

As part of insider management, a listed company may arrange a prior information procedure, which means that a person discharging managerial responsibilities or some other person defined by the company covered by the trading restriction may request an assessment of whether a planned transaction on a financial instrument is in accordance with the law and guidelines. Regardless of the prior assessment procedure, a person discharging managerial responsibilities or an above-mentioned person is responsible for complying with laws, provisions and guidelines.

The assessment is made at the person's initiative before a planned deal with the financial instrument or some other transaction. The assessment is based on the information given by the person and information otherwise available at the time of the assessment. The assessment may be voluntary but a listed company may also decide that an assessment is a necessary requirement for the execution of the planned transaction. The person making the assessment shall have a degree in law or otherwise sufficient knowledge of insider issues.

3.3.4 Regular and other supervision

A listed company shall organise regular supervision of the trading and the notification requirement regarding persons in the listed company's insider list and the persons discharging managerial responsibilities and persons closely associated with them.

The supervision may, for instance, be arranged so that the listed company checks the information to be notified with the persons discharging managerial responsibilities and the persons closely associated with them at regular intervals often enough, at least once a year.

The listed company may also arrange other checks applicable to persons covered by the trading restriction. The company shall, where necessary, case by case, supervise in greater detail the trading in securities of persons who may regularly have access to inside information or information that is otherwise confidential in the preparation of financial reports, securities trading and other transactions for example when a person deals with a large volume of securities or when the trading with financial instruments is continuous.

A listed company shall take reasonable care to ensure that all persons who have access to inside information identify the legal and regulatory duties entailed and are aware of the sanctions applicable to insider dealing and unlawful disclosure of inside information.

The Financial Supervisory Authority supervises prohibited use of inside information, the drawing-up and maintenance of an insider list, the abidance with trading restrictions of persons discharging managerial responsibilities and the notification requirement and disclosure of transactions by persons discharging managerial responsibilities and persons closely associated with them.

In practice, a listed company shall arrange insider management in such a manner that it can fulfil the above mentioned obligations. The listed company's duty of supervision also extends to any external advisors registered in the insider list who have taken on the duty of drawing up and maintaining the insider list.

3.3.5 A listed company shall have a procedure for notifying infringements (*whistle blowing*)

A listed company shall have a procedure through which persons employed by the listed company may report within the listed company through an independent channel a suspected abuse of regulations and provisions concerning the financial market. According to Chapter 12, Section 3 of the Securities Markets Act, the procedure shall, for instance, comprise the proper handling of the notifications and measures for protecting the person who has made the notification and for protecting the personal data of both of the person who reports the infringement and the person who allegedly committed the infringement.

A listed company may include the whistle blowing procedure required by the Securities Markets Act in its general codes of conduct and procedures that are applicable to the supervision of the abidance by regulations and the notification of infringements, if these guidelines and procedures meet the requirements of the Securities Markets Act.

APPENDIX

Regulations concerning the trading restriction and the notification and disclosure of transactions:

Market Abuse Regulation (EU) 2014/596 (including changes e.g. EU 2019/2115, EU 2024/2809)

Regulation on benchmarks, (EU) 2016/1011, article 56 on MAR
Commission Delegated Regulation (EU) 2016/522

Commission Implementing Regulation (EU) 2016/523 and Annex
Directive 2014/65/EU, Annex I, Section C, which contains a list of the
financial instruments, referred to in the regulations

ESMA: Questions and Answers on the Market Abuse Regulation (MAR),
latest version published

Financial Supervisory Authority (MAR website): partly in English

- Kysymyksiä ja vastauksia (Q&A)- Johtohenkilöiden liiketoimet (MAR 19 artikla)
- Johtohenkilöiden liiketoimien ilmoitusmerkkejä
- Notification form for managers' transactions
- Liikkeeseenlaskijan johtohenkilöiden lähipiiriyhteisöt ja ESMAn Q & A -tulkinta

Penal Code, Chapter 51

Securities Markets Act, Chapter 12

Act on the Financial Supervisory Authority

Regulations concerning insider information, delaying disclosure and insider regulations:

Market Abuse Regulation (EU) 2014/596 (including changes e.g. EU 2019/2115, EU 2024/2809)

Commission Delegated Regulation (EU) 2016/522

Commission Implementing Regulation (EU) 2016/1055 - implementing
technical standards with regard to the technical means for appropriate
public disclosure of inside information and for delaying the public
disclosure of inside information

ESMA:

- MAR Guidelines, Delay in the disclosure of inside information, ESMA/2016/1478 EN, latest update 13/04/2022, ESMA 70-159-4966 FI
- Questions and Answers on the Market Abuse Regulation (MAR), latest version published

Financial Supervisory Authority (MAR website): partly in English

- Regulations and guidelines 6/2016, 1.12.2016, latest update 13.6.2022

- Templates for a project-specific insider list and for permanent insiders section
- Kysymyksiä ja vastauksia (Q&A) – Sisäpiiritiedon julkistaminen ja julkistamisen lykkääminen (MAR 17 artikla)
- Kysymyksiä ja vastauksia (Q&A) – Sisäpiiriluettelot (MAR 18 artikla)
- Template “Notification of delayed disclosure of inside information”
Commission Implementing Regulation (EU) 2022/1210 and Annexes
Penal Code, Chapter 51
Securities Markets Act, Chapters 6, 10 and 12
Act on the Financial Supervisory Authority

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