INDERES PLAYBOOK

V.4

DISCIPLINED ANARCHY.

inderes.

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Leave your ego at the doorstep

Throughout the last 5 years, our publicly available Playbooks have sparked a lot of public interest. We often get two types of feedback: "this feels common sense and human" and "this is so different from how my employers have worked". The feedback is paradoxical. At which point do we lose what is considered common and human sense at work?

Scrapping artificial hierarchies, ranks and egos makes a big difference in our experience. It enables people to find better ways to organize around work and achieve great results. Having no travel policy feels normal, but only if you trust that highly educated professionals don't lose their ability to book reasonable flights and hotels the second they walk in the office door. Teams deciding their own salaries is not that radical when considered from the perspective "how to make high-quality salary decisions". Transparency is usually a more efficient control mechanism than rules.

Great companies are not built by seeing complex organizations as machines optimized for maximum efficiency, while narrowing thinking to only one stakeholder perspective. The metaphor we use for our model is a living organism, being part of a wider ecosystem and continuously adapting to the rapid and often unpredictable changes in the environment surrounding us. We've grown from 20 to 120 employees without reorganizing the organizational structure once. It's rather been a natural evolution through thousands of daily micro-changes, and we will continue to evolve that way.

Like the balance of nature, our organization is a system built for balance. Balance between discipline and anarchy. Freedom and responsibility. Fast change and stability. Soft and demanding. Stretching and resting. Our strength, which a machine does not have, is to hold these opposing ideas in mind at the same time.

The past two years have put the disciplined anarchy leadership model, as we call it, to a new test. As a new publicly listed company, we've gone from a booming market to a declining environment. We've started the next phase in our evolution to become an international company. Strong forces are trying to pull us towards a corporation with strong discipline and control over people, risking us losing the creativity, rebelliousness, and joy attached to anarchy. We need to keep it fifty-sixty. Creativity can build a massive competitive edge in our conservative industry, which has been lacking innovation.

If you are a potential future employee reading this, try to reflect on whether this is a place where you would flourish. Many people love our culture, but some people value clear orders, rules and stability over the freedom, responsibility and ambiguity our people have. Leader roles are highly demanding. Many leaders accomplish amazing things in this environment, but managers who prefer to have control, status, sticks and carrots in their leadership toolbox are likely to find this place a nightmare. Big egos and noisy opinions get overrun by professional expertise and the swarm intelligence of our networked organization.

Finally, the Playbook is aspirational, our vision of what type of workplace and company we want to build for ourselves. In some areas we excel, in many areas we are not there yet. As a team member, you should be committed to build the kind of company we've described in this document.
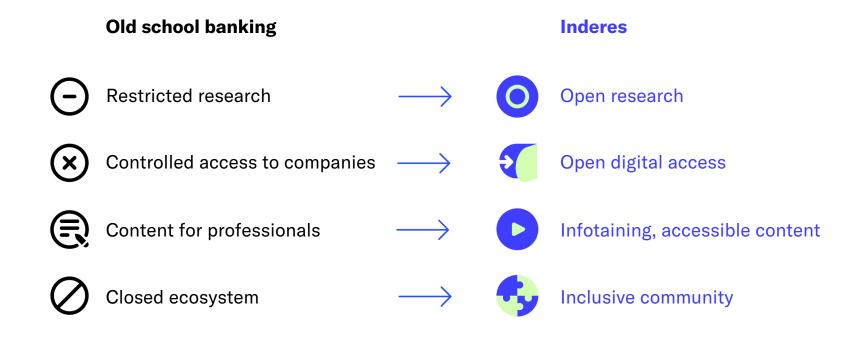
Chapter 1

Our role in Society

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So you're saying a plumber from Turku can access your research?"

Investment bank executive, London City, 2017
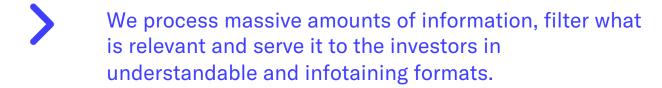
Democratizing financial information

Everyone should have the same information at the same time when investing in stocks. Our role is to democratize financial information by serving the 100% - not only the 1%. Whether someone is a plumber in Turku or a professional portfolio manager, we are here to help them become a more informed investor.

Old school banking   **Inderes**

⊖ Restricted research   ⟶   ◎ Open research

⊗ Controlled access to companies   ⟶   Open digital access

Content for professionals   ⟶   ▶ Infotaining, accessible content

⊘ Closed ecosystem   ⟶   Inclusive community

The problems we solve

1. INVESTORS

Investing information is scattered and hard to digest, resulting in uninformed investment decisions or no investing at all

> We process massive amounts of information, filter what is relevant and serve it to the investors in understandable and infotaining formats.

2. LISTED COMPANIES

Investor relations (IR) struggle to reach the relevant target group of 100%

> Through Inderes, IR can access the investor community and a distribution network spanning from investing platforms to social media

3. MARKET ECOSYSTEM

Services are accessible only for wealthy investors and big companies

> The Inderes model enables great products for all investors and all companies
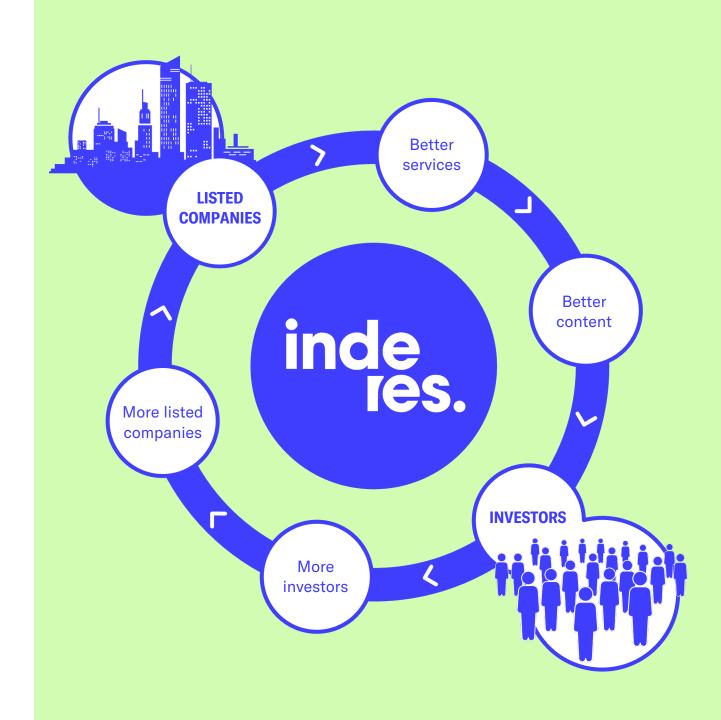
Chapter 2

Business Architecture

First, figure out how to create value,
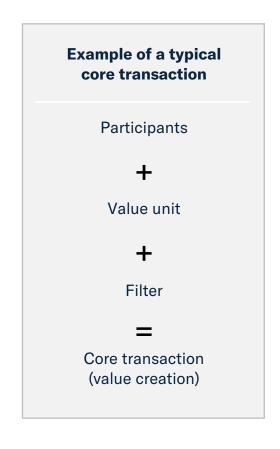then figure out the business model

The Inderes Flywheel

Inderes connects investors and listed companies. We are a neutral information platform, and we never touch investors' money in the process.
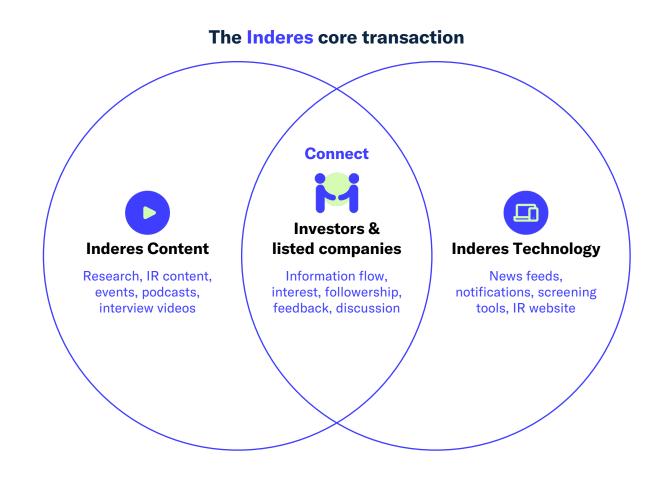
- Our strategy is based on building three elements: the investor community and distribution, the listed company customer base and the software platform

- The more investors the network reaches, the more value we create for the investor relations of the listed company

- The more listed companies join the network, the better content and service we can provide for the investor community

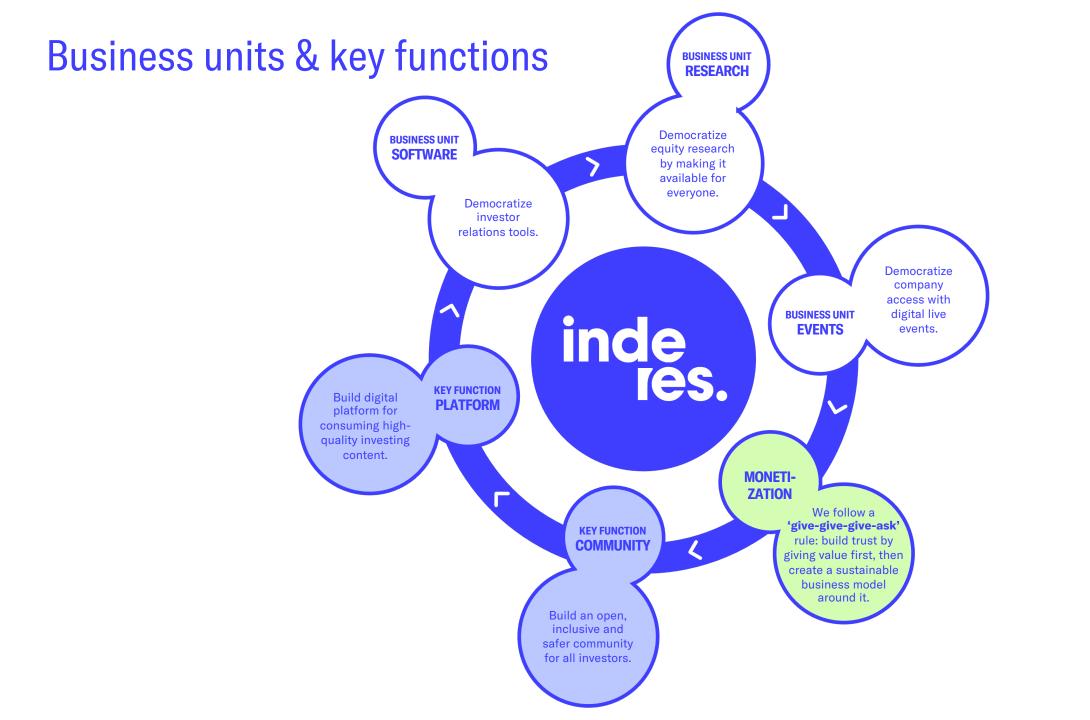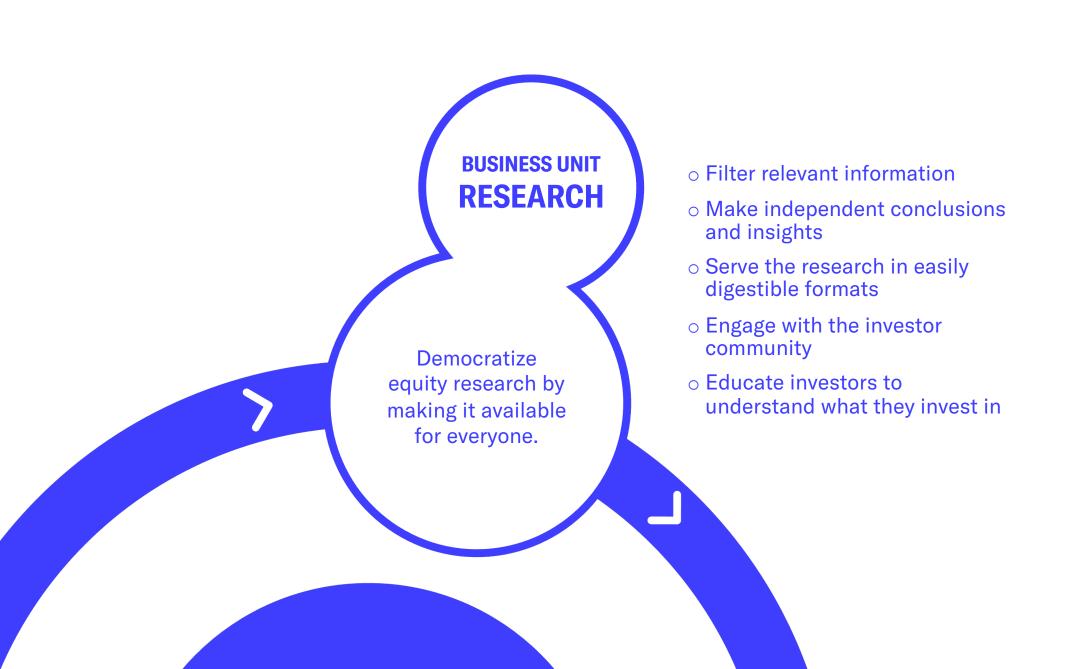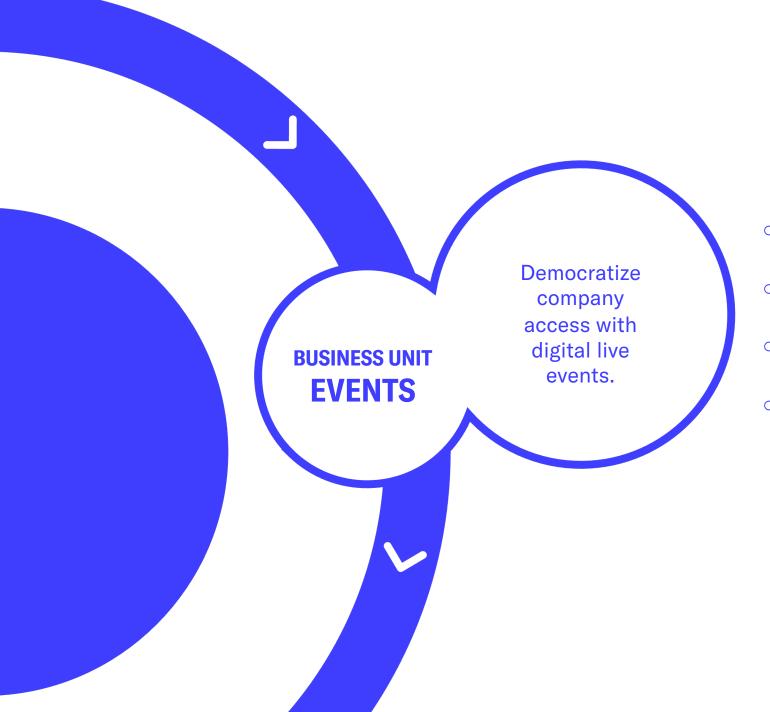- Positive network effects kick in when investors trust the platform

Value creation

A core transaction is how a platform like Inderes creates value. It consists of three elements: participants, value units and filters. In the case of Inderes, value is created when a connection between an investor and a listed company is formed, and information starts flowing.

Example of a typical core transaction

Participants

+

Value unit

+

Filter

=

Core transaction
(value creation)

The Inderes core transaction

Connect

Inderes Content

Research, IR content, events, podcasts, interview videos

Investors & listed companies

Information flow, interest, followership, feedback, discussion

Inderes Technology

News feeds, notifications, screening tools, IR website

Business units & key functions

BUSINESS UNIT RESEARCH

Democratize equity research by making it available for everyone.

BUSINESS UNIT SOFTWARE

Democratize investor relations tools.

Democratize company access with digital live events.

BUSINESS UNIT EVENTS

KEY FUNCTION PLATFORM

Build digital platform for consuming high-quality investing content.

MONETI-ZATION

We follow a **'give-give-give-ask'** rule: build trust by giving value first, then create a sustainable business model around it.

KEY FUNCTION COMMUNITY

Build an open, inclusive and safer community for all investors.

inde res.

BUSINESS UNIT
RESEARCH

Democratize equity research by making it available for everyone.

o Filter relevant information

o Make independent conclusions and insights

o Serve the research in easily digestible formats

o Engage with the investor community

o Educate investors to understand what they invest in

BUSINESS UNIT
EVENTS

Democratize company access with digital live events.

o Increase market transparency and trust

o Help companies to communicate their stories

o Provide a distribution channel for events

o Help investors understand the companies
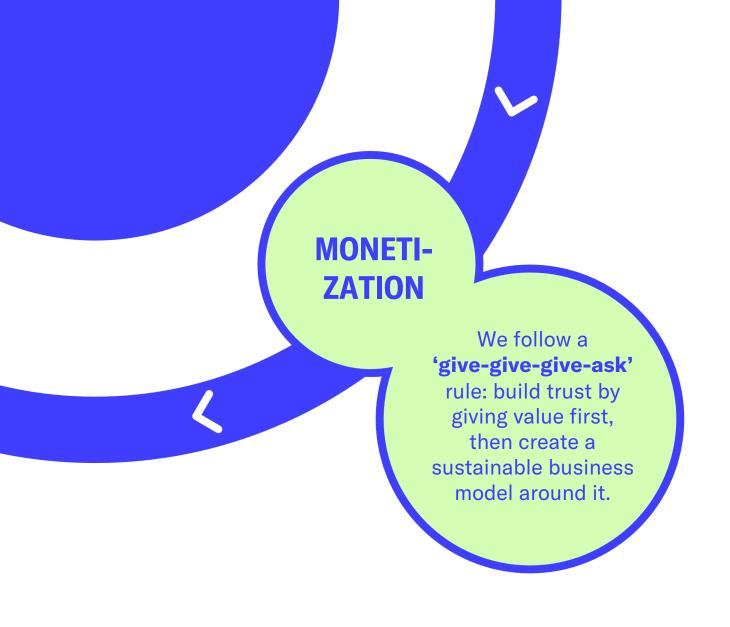
o Lower the hurdle of being a publicly listed company

o Bring simplicity, efficiency and cost saving to investor relations

o Automate IR processes and tasks

o Help listed companies in reaching and engaging with the investor community

BUSINESS UNIT
SOFTWARE

Democratize investor relations tools.

- Match companies and investors
- Help investors to find the right information
- Build tools for creating and distributing investing content

Build digital platform for consuming high-quality investing content.

KEY FUNCTION
PLATFORM

KEY FUNCTION

COMMUNITY

Build an open, inclusive and safer community for all investors.

o Create infotaining content and distribute it to relevant channels

o Engage investors

o Foster quality investing discussion culture

o Create feedback loop between investors and Inderes' teams

MONETI-ZATION

We follow a **'give-give-give-ask'** rule: build trust by giving value first, then create a sustainable business model around it.

1. B2IR: Our primary revenue source is IR products for listed companies

2. B2B: We sell our tools and platform for our ecosystem partners

3. B2C: For investors, we provide value-adding premium tools while keeping most of the content free

What makes us unique

Expertise

We know investors and investor relations

+

Platform

Offering integrated to one platform

+

Reach

Inderes' investor community and distribution network

Chapter 3

Disciplined Anarchy

"

Excellent teams, ordinary people.”

Basic assumptions of our people

With these three simple assumptions in place, we don't need traditional hierarchies, rules, corporate policies or control mechanisms.

Our people..

o are trustworthy professionals capable of making important decisions

o take responsibility for their decisions

o want to make decisions that are positive for our organization

The system is based on trust by default. We stick to these assumptions of our people even in those moments it feels difficult.

Over time, someone will not honor the responsibility that comes with the freedom our people have. We always solve these cases individually without hesitating to make hard decisions.

Values
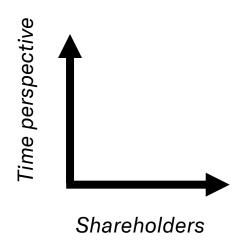
o **Independence.** We work with high moral standards and put integrity ahead of business.

o **Passion.** We are intrinsically driven by more than just making money.

o **Quality.** We produce high quality and always strive for better. Investors trust the information we produce when making significant decisions, and listed companies trust us in their critical functions.

o **Longevity.** We built this business for the long run, continuously pushing our inevitable bankruptcy as far into the future as possible. In our decisions, we are legally bound to take a long and wide perspective of employees, community, customers and shareholders (Inderes Articles of Association §10).

Operating in a wider frame

Short and narrow thinking

o Excessive focus on actions with direct short-term impact
o Fails to capture the complexity of an organization
o Minimal own thinking required
o Illusion of control

Time perspective

Shareholders

Long and wide thinking

o Acknowledges the complexity of an interconnected system
o Higher quality long term decisions
o Stronger long term value creation
o Takes more effort

Time perspective

Employees - Community - Customers - Shareholders

Principles
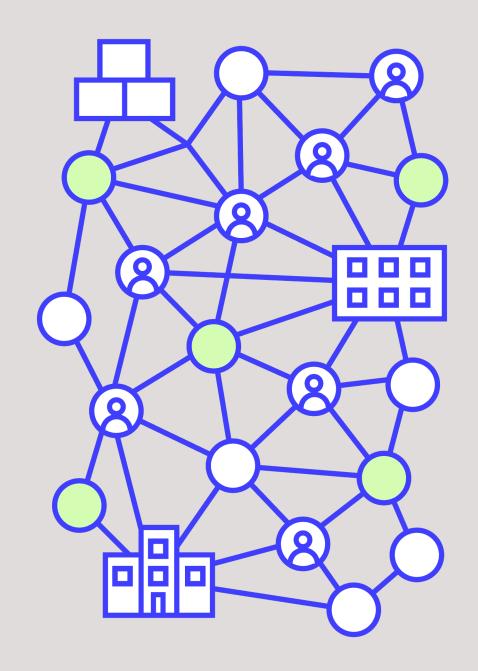
o **Transparency by default.** Better information leads to higher-quality decisions. All information is transparent within the organization unless there are legal or confidentiality reasons restricting it.

o **Diverse perspectives and creative friction.** To increase the quality of our decision-making, we invite multiple and potentially conflicting perspectives to decision-making.

o **Embarrassment-free zone.** We throw crazy ideas and build on top of others' goofy ideas, without having to fear being suppressed by others.

o **Friendly and brutally honest feedback.** We set aside our egos and defenses when receiving feedback, trusting that it reflects genuine care and positive intentions.

o **Take responsibility.** We do what needs to be done instead of waiting to be told what to do. Regardless of one's role within the company, no issue is "someone else's problem".

o **We are equal.** No one is above or below someone else in the organization. Decision making power is contextual and based on the advice process. Internally, we recognize expertise but not status or titles.

o **Humble to learn.** To stop being humble is to stop learning. No one knows it all.

Organizational structures

Fast change must be balanced with structure to avoid chaos and anarchy. We don't have a fixed organization chart, but we build structures to align on strategic direction, business targets and product development.

o **Sense and respond.** Every employee is a sensor to the inside and outside world. We sense the environment and develop accordingly.

o **Micro changes.** Our roles, processes and structures evolve through micro changes every day. While it may feel chaotic at times, we always prefer to evolve rapidly on the go.

o **Maximally decentralized.** Decisions must be made as close to the actual work as possible.

o **Evolutionary structures.** Our organization structures are constantly self-organizing and self-correcting, guided by what we see as the best way to get things done. We dislike internal territories and encourage resources, know-how and diverse perspectives to collide and flow between all teams.

o **Self-organizing and co-led teams.** Teams are formed around critical tasks and functions. There are no pre-set team structures or sizes. Teams decide on their leadership and how they organize around their work.

o **Business units with commercial responsibility.** Business units are formed around commercial entities.
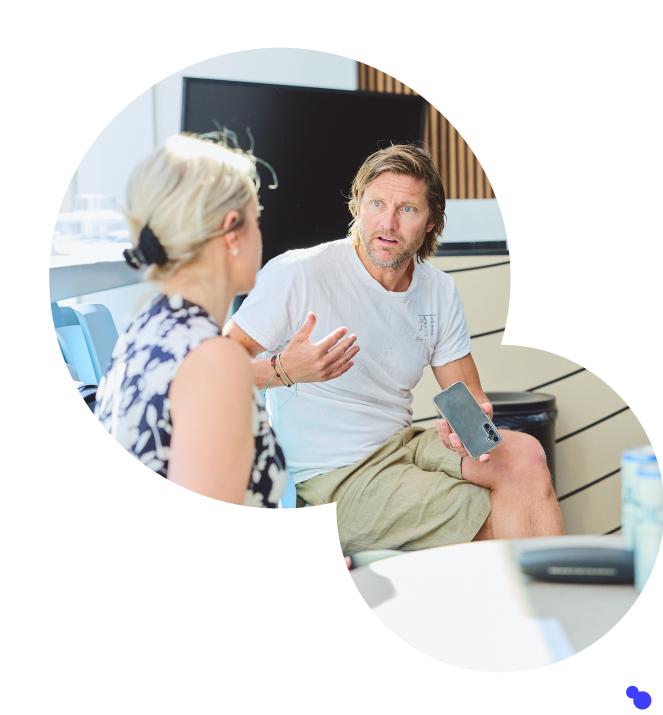
Leadership

In a non-managerial organization, leadership is not restricted to selected people in the hierarchy. Anyone can take leadership and it is earned from the organization.

People at Inderes lead with context and not control. It reflects the following actions and behavior:

o   You care about people

o   You build teams that achieve great results

o   You think beyond your team's perspective

o   You help others to succeed in their work

o   You take hard decisions when needed

o   You ask for help

o   You communicate openly, actively and across teams

o   You get things done

"If you want to lead in this company, you will not have sticks and carrots. Don't ask for a promotion or mandate, there's no one who will give you that. You must earn the leadership with your expertise, trust and actions."
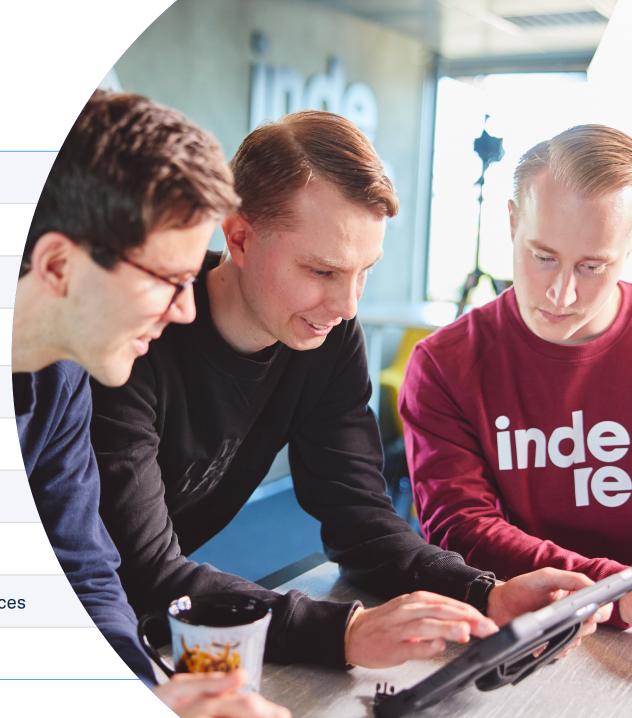
How we work

"

No one here is too important to empty the dishwasher."

Team responsibility checklist

✓	Ensuring the wellbeing of all team members
✓	Fulfilling commitments towards customers
✓	Managing the team's financial performance and resources
✓	Aligning team strategy and targets with company strategy
✓	Defining ambition and standards
✓	Communicating openly and across teams
✓	Defining roles and focus within the team
✓	Resolving conflicts and performance issues
✓	Agreeing on vacations, working hours and remote work practices
✓	Tools, purchases and working methods

Decision making (Advice process)

How to make decisions when we are not a hierarchy, consensus or a democracy? Our decision-making process aims for the highest quality decisions. We believe this happens when expertise overrides status. Who calls for a decision is contextual.

Advice process:

o   **Seek advice from people with expertise in the matter and people meaningfully affected**. If you don't know who that is, start the process by asking who I should ask advice from.

o   **Adjust the scope of the advice process relative to the impact and urgency of the decision.** In small decisions, it can be a casual chat by the coffee machine with a colleague. In the biggest decisions, the process goes to the Board of the company. You can also ask for advice outside the organization.

o   **When you feel you have enough advice, go ahead with your decision.** Do not wait for mandates or approvals.

o   **Advice is simply advice.**

After a decision is made, we expect everyone, including the people who argued for a different approach, to commit to the decision. Safe enough to try, pilots and iterations are encouraged.
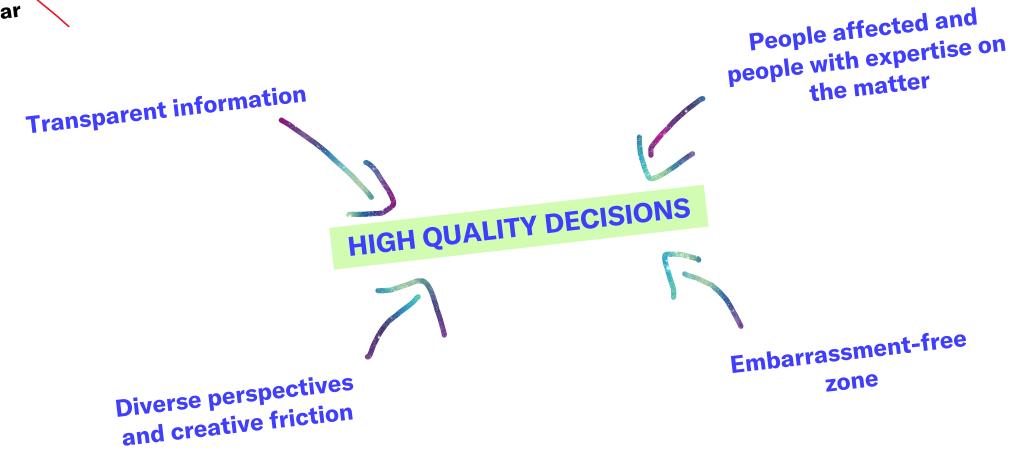

Decision making example:
Spending company money

o   Core principle: spend company money in the best interest of Inderes

o   Follow the advice process depending on how big an investment you are deciding on (colleague, team, business unit, CFO, Board)

o   Take responsibility for implementing and monitoring the decision

Egos
Ranks
Silos
Fear

Transparent information

People affected and people with expertise on the matter

HIGH QUALITY DECISIONS

Diverse perspectives and creative friction

Embarrassment-free zone

Return on failure (ROF)

Some of the decisions we make fail.

Fear of failing is human, but it can prevent us from taking the risks needed to move forward. We maintain psychological safety through the ROF process.

The ROF process usually includes people who were involved, or who should have been involved, in the advice process

Negative ROF:

Sarcastic humour, blame-gaming, spreading negative energy, and frustration across the team

Positive ROF:

Seeking forward-looking learnings and sharing the learnings with others

High ambition high standards teams

We are the environment for each other. High-performing teams see other individuals as 1.2 and aim to be 1.2 themselves when interacting with each other. This can lead to a massive leap in team performance and productivity:

$$1.2 \times 1.2 \times 1.2 \times 1.2 \times 1.2 \times 1.2 = 2.99$$

$$1 \times 1 \times 1 \times 1 \times 1 \times 1 = 1$$

$$0.8 \times 0.8 \times 0.8 \times 0.8 \times 0.8 \times 0.8 = 0.26$$

1.2 behaviour examples:

- Being present
- Listening and asking
- Caring
- Lifting others
- Appreciation

0.8 behaviour examples:

- Trolling
- Sarcasm
- Cynicism
- Undermining
- ..

Taking on new roles and responsibilities

Fluid and granular roles. We don't hire people for rigid role descriptions - people come here to grow with us as the business grows, contributing to whatever requires our attention as a priority.

New roles are born when the need arises. Most of us are involved in many development projects related to customers, processes and teams. Some of these projects evolve to a completely new role that requires a replacement for previous responsibilities. Then, a new role is born.

Leave no one in trouble. Before taking on new projects and work, we must ensure our current responsibilities and customer promises are taken care of. New projects and tasks surface weekly, and we don't look at them through promotions, cost allocations or salary raises.

We focus on competence growth and new responsibilities. We focus on professional growth rather than predefined steps or career paths up the ladder. We celebrate and acknowledge when our colleagues have significant growth in responsibilities and contributions.

Working and flexibility

Teams decide their working practices. Teams form and review their own working agreement yearly, where they agree on things like office days, remote work, shared practices and meetings.

We don't have managers who monitor our people. We trust that teams and people will be most productive when they choose their working hours. We do not merit facetime and recorded working hours, but contribution and leadership.

Remember to rest. The cyclical nature of our work can be a challenge for our wellbeing. Check-in frequently with your colleagues on wellbeing. After tough periods take time to recharge. Take a day off, work a shorter day or work on a less stressful and fun task. Remember to coordinate this with your team.

Teams agree on vacations and times off. Teams organize and coordinate annual vacations, parental leaves and longer vacations themselves.

Our people can be 100% offline during vacations. This, however, comes with the responsibility to organize your work so that operations run and no colleague is left in trouble. When your close colleague is on vacation, you are expected to cover their back.

No one here is irreplaceable, except to their loved ones. At the end of the day, this is just work.

"We seek life balance instead of work-life balance. Joy of work is one part of a meaningful life. We are not just renting our lives out for money."

Radical transparency

A steady stream of communication is the lifeblood of our organization. At Inderes, it is an essential part of your work to keep yourself updated on what is happening in our company, customers and business environment.

Communications principles

o You have two ears and one mouth. You listen carefully and articulate concisely.

o You communicate with respect.

o You share information openly and proactively.

o You say things about your colleagues you would say to their face.

o You don't hoard information from others. Information is power and at Inderes, power is maximally decentralized.

Communications practices

o **Open books**. Financial data is open by default. People can take responsibility for financials and make good decisions with financial impact only if they have access to financial data.

o **Open channels and communication by default**. Unless there are privacy or legal reasons to restrict the flow of information.

o **Take responsibility on what communication to follow.** Information is open, you must evaluate what to follow to do your work well.

o **Open Board work**. Board meetings are open for hangarounds. The Board's pre-read material and meeting summary are shared with everyone.

o **Good meetings**. We organize meetings when organizing a meeting is the best way to get the job done. We respectfully suggest other ways when meetings become inefficient.

Fair pay

Our rewarding is based on three goals: 1) get the right people, 2) keep the right people and 3) fair pay.

Deciding salaries is a big advice process aiming for high-quality salary decisions. Once a year, we run our salary discussion process where teams decide salaries for the next year.

In discussing and deciding salaries, teams use the following principles:

o   **Basic level**, the normal market entry salary in the given job

o   **Experience and expertise** relevant for the role

o   **Responsibilities and contributions** the person is making in the role. Teams should focus on contribution and work related to sales, international growth, client work, P&L, and our company's critical processes and functions.

o   **Leadership** as described in the leadership section.

No salary negotiations. Teams establish their own salary team that runs the decision-making process of the team based on the salary principles.

Financial accountability. Teams have full transparency into their financials and they integrate the business perspective into the decision-making process.

Salary information is open within the team, as well as all information and data we use when discussing salaries. We use transparency and healthy peer pressure to ensure fair and responsible salary setting.

Fixed salaries for short term, equity for long term. Our rewarding is based on a fixed monthly salary. In addition, we have locally decided perks and benefits that are equal for all. Long-term incentives are built through equity programs.

Recruiting the right people

We don't just hire people for a job - we invite people to create the future of this company with us.

Teams decide who joins our journey

o   Potential over resumes: Your competence matters more than what's on paper

o   Radical transparency: Clear expectations, open conversations, and no hidden agendas.

o   Mutual choice: This is as much your decision as it is ours.

For you to succeed at working at Inderes

1.   Co-Leadership: You take ownership and get things done.

2.   Collaboration: You want to work in a trust-based, decentralized organization.

3.   Growth mindset: You adapt, learn, and push forward. You enjoy working in a team that sets the bar high.

4.   Fit and add: you are driven and passionate to contribute to your job, and will add your personal flavor to our existing know-how and culture

Joining us isn't about fitting into a box - it's about co-creating your role and evolving together. There are predefined priorities, and then things start to evolve as you and the business grow. As a team, you work with strategy and prioritize projects and the work at hand, as well as build working practices.

Owners' responsibility

Inderes is owned by its employees, community members and investors. Even though we are a publicly listed company that can be traded every day, we are not for everyone.

We appreciate owners who:

o Push us to become better in what we do

o Share the same values and principles described in this Playbook

o Think long term

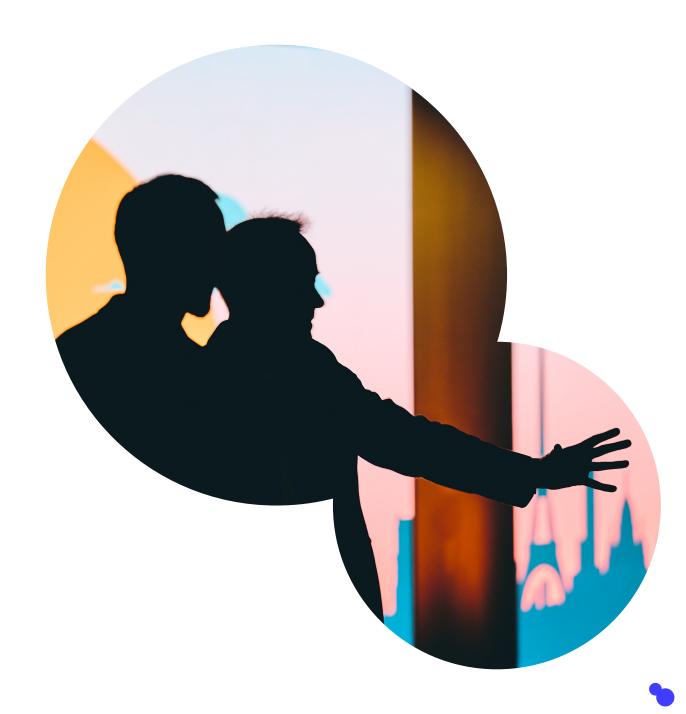With ownership comes responsibility. Our owners understand that they are eventually responsible for the wellbeing of the company.

Chapter 5

Future

Eternal goals

We will always:

o   Choose to be great instead of big

o   Rather lose business than slip from our values

o   Help our people grow as professionals and individuals

Change

Where we drive fast change:

o   Business model
o   Geographies
o   Technologies used
o   Organization structures
o   Processes

Our core we protect:

o   Basic assumptions of our people
o   Long and wide stakeholder perspective
o   Values
o   Our role in society
o   Eternal goals

Serendipity
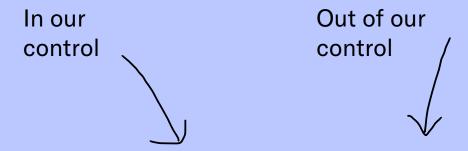
Creating the optimal environment for luck to occur

The more we try, the luckier we get.

Innovation at Inderes is a process based on the formula of "for laughs, by luck"*.

We can't control luck, but running experiments is part of our core processes and culture. Experiments are encouraged to be weird, disruptive and unexpected. They must also be low cost, low risk and low distraction relative to the business overall.

When experiments gain empirical evidence, we increase investments. If they fail, we kill them fast with ROF. They can result in new features, new processes, new products or completely new businesses.

*orig. Finnish "läpällä ja tsägällä"

In our control

Out of our control
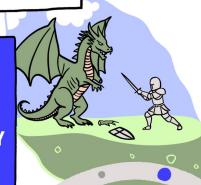
***n of experiments X luck =* pace of innovation**

TARGET MARCHING SPEED:
GROWTH-% + EBITA-% > 30%
INCREASING PAYOUT

INVESTORS
look for
ACCESSIBLE
and
TRUSTWORTHY
information
on companies

MISSION

To democratize
financial information
by connecting
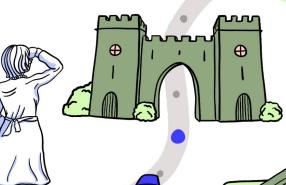investors and
listed companies.

SUPERPOWERS

1. Expertise
2. Platform
3. Reach

**CUSTOMER
ROAD BLOCKS**

· Poor liquidity
· Digital access
  to investors
· Lack of analyst
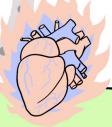 coverage
· Increasing costs
  and complexity

**LISTED
COMPANIES**
look for
**REACHING
THE RIGHT
INVESTORS**
for the company

EQUIPMENT

1. Research
2. Events
3. Software

VISION

To be the most
investor-minded
company
in finance.

CULTURE

· Disciplined anarchy
· High ambition,
  high standards
· Excellent teams,
  ordinary people
· Humane & humble

Investors

**Listed
companies**

THANK YOU.