

# Rules of Procedure of Oriola Corporation's Shareholders' Nomination Board

## 1. The purpose of the Nomination Board

The Shareholders' Nomination Board of Oriola Corporation (hereinafter referred to as the "Company") is a corporate body of the Company's shareholders and responsible for preparing proposals on the appointment and remuneration of the members of the Board of Directors and submitting them to the Annual General Meeting. The primary task of the Nomination Board is to ensure that the Board of Directors and its members have sufficient expertise, competence, and experience to meet the needs of the Company.

The Nomination Board shall adhere to the applicable legislation and other regulations, such as stock exchange regulations and the Finnish Corporate Governance Code (Finnish Corporate Governance Code 2015).

## 2. Appointment of the Nomination Board

The Chairman of the Board of Directors shall annually arrange a meeting to which the Chairman invites the Company's twenty largest shareholders, by votes, who are registered as shareholders in the Company's shareholders' register maintained by Euroclear Finland Ltd by the 31st of August preceding the Annual General Meeting.

If a shareholder who is, in accordance with the Securities Market Act, liable to report specific changes in ownership (obligation to notify of major shareholdings), presents a written request concerning the matter to the Company's Board of Directors no later than by the 31<sup>st</sup> of August preceding the Annual General Meeting, any holdings of the shareholder that have been recorded in numerous funds or registers shall be added up when calculating the total votes of the shareholder and/or entity and/or foundation controlled by such shareholder. A holder of nominee-registered shares is taken into account when determining the twenty largest shareholders if the holder of nominee-registered shares presents a written request concerning the matter to the Company's Board of Directors no later than by the 31<sup>st</sup> of August preceding the Annual General Meeting.

## 3. Election of the members and the composition of the Nomination Board

The meeting of the twenty largest shareholders, by votes, shall elect the members of the Nomination Board. In the meeting of the twenty largest shareholders decisions are made by majority decision in accordance with the Companies Act, based on votes cast by the shares represented at the meeting.

The Nomination Board shall consist of five members appointed by the shareholders. In addition, the Chairman of the Board of Directors acts as an expert member of the Nomination Board. The meeting of the twenty largest shareholders shall additionally elect one of the members to serve as the Chairman of the Nomination Board.

When the Nomination Board has been elected the Company will publish its composition through a stock exchange release.

The term of office of the members of the Nomination Board expires the year following the appointment upon the appointment of the next members of the Nomination Board pursuant to the rules of procedure of the Nomination Board.

#### **4. The duties of the Nomination Board**

The Nomination Board is in charge of

- preparing the proposal to the Annual General Meeting on the number of members of the Board of Directors
- preparing the proposal to the Annual General Meeting on the members of the Board of Directors as well as the Chairman of the Board of Directors
- preparing the proposal to the Annual General Meeting on the remuneration of the members of the Board of Directors
- finding successor candidates for the members of the Board of Directors
- presenting the proposal on the number of members of the Board of Directors to the Annual General Meeting
- presenting the proposal on the members of the Board of Directors as well as the Chairman of the Board of Directors to the Annual General Meeting
- presenting the proposal on the remuneration of the members of the Board of Directors to the Annual General Meeting

The members of the Nomination Board do not receive any remuneration for their membership on the Nomination Board. The members' travel expenses will be reimbursed in accordance with the travel policy of the Company.

#### **5. The duties of the Chairman of the Nomination Board**

The Chairman of the Nomination Board must steer the work of the Nomination Board so that it effectively reaches its objectives and observes the expectations of the shareholders as well as the benefit of the Company.

The Chairman of the Nomination Board

- a) shall convene the meetings of the Nomination Board, prepare the meeting agendas and materials and serve as the chairman of the meetings;
- b) shall supervise that the intended meetings of the Nomination Board are held in accordance with the agreed schedule; and
- c) shall convene special meetings to order as necessary and shall in any case convene a meeting to order within 14 days of a request submitted by a member of the Nomination Board.

#### **6. Decision-making**

The Nomination Board has a quorum if more than half of its members are in attendance. The Nomination Board is not entitled to make decisions unless all members have been offered an opportunity to participate in the processing of the matter and to attend the meeting.

The decisions of the Nomination Board must be unanimous. If the members cannot reach a unanimous decision, the members may submit their individual proposals to the Annual General Meeting or submit joint proposals together with other Nomination Board members.

Minutes must be kept of all decisions made by the Nomination Board. The minutes must be dated, numbered and stored in a reliable manner. The chairman and at least one other member of the Nomination Board must sign the minutes.

#### **7. Preparation of a proposal concerning the composition of the Board of Directors**

The Nomination Board shall prepare a proposal concerning the composition of the Board of Directors for the company's Annual General Meeting. Regardless of this, each company shareholder may submit their own direct proposal to the Annual General Meeting in accordance with the Companies Act.

In preparing the proposal concerning the composition of the Board of Directors, the Nomination Board must observe the requirements imposed on the Company in the Finnish Corporate Governance Code as well as the results of the annual evaluation of the Board of Directors' operations, which is to be completed in accordance with the Finnish Corporate Governance Code. At a cost approved by the Company, the Nomination Board may also consult an external expert in order to find and assess suitable candidates.

## **8. Competence of the members of the Board of Directors**

The Company's Board of Directors must have sufficient expertise, competence, and experience relating to the Company's line of business and business operations. As a collective, the Board of Directors must have sufficient competence especially

- a) in matters pertaining to the Company's line of business and its business operations;
- b) in managing a public limited liability company of a corresponding size;
- c) in group and financial management;
- d) in strategic solutions and corporate mergers and acquisitions;
- e) in internal supervision and risk management; and
- f) in the principles of good corporate governance.

In addition to the above-mentioned, the Nomination Board shall take into account the principles concerning the diversity of the Board of Directors, the independence requirements of the Finnish Corporate Governance Code as well as the rules of Nasdaq Helsinki Ltd applicable to the Company.

## **9. Proposals to the Annual General Meeting**

The Nomination Board must submit its proposals to the Board of Directors no later than on the first day of February preceding the Annual General Meeting.

The Board's proposals are published as a stock exchange release and included in the invitation to the Annual General Meeting.

The Nomination Board shall also present and provide grounds for its proposals and submit a report of its operations to the Annual General Meeting.

## **10. Confidentiality**

The members of the Nomination Board and the shareholders they represent must maintain the confidentiality of all information concerning the proposals presented to the Annual General Meeting until the Nomination Board has submitted its final proposals and the Company has published them.

The confidentiality obligation of the members of the Nomination Board and the shareholders they represent also covers any other confidential information disclosed to them during Nomination Board operations and will remain in force until the Company has published the relevant information.

## **11. Amending the rules of procedure**

The Nomination Board shall annually review the content of the rules of procedure and submit any amendment proposals to the Annual General Meeting for approval.

The Nomination Board is authorised to make technical updates and changes to these rules of procedure, if necessary.