

# CHARTER OF ANORA GROUP PLC'S SHAREHOLDERS' NOMINATION BOARD

## 1 Purpose of the Shareholders' Nomination Board

On 15 December 2017, the shareholder of Anora Group Plc (form. Altia Plc) (the "**Company**") resolved to establish a Shareholders' Nomination Board (the "**Nomination Board**") consisting of major shareholders of the Company or persons appointed by such shareholders for preparing, annually, proposals concerning the composition, election and the remuneration of the members of the Board of Directors of the Company (the "**Board**"). The Nomination Board has been established to operate until abolished by the decision of the General Meeting of Shareholders of the Company. The establishment of the Nomination Board and this Charter entered into force upon the resolution by the Company to complete the listing of the Company's shares on Nasdaq Helsinki Ltd ("**Nasdaq Helsinki**").

The main purpose of the Nomination Board is to ensure that the Board and its members represent a sufficient level of expertise, knowledge and competence for the needs of the Company and have the possibility to devote sufficient amount of time to attending their duties as members of the Board. The Nomination Board shall pay attention to achieving a good diversity balance in the Board considering the competence and qualifications of the Board as a whole. The Nomination Board shall in its work consider the diversity principles for the Board, which recognise the importance of complementary education, competences and experience, strong and relevant acumen in international environments and businesses, and a diverse age, term of office and gender distribution.

In its work, the Nomination Board shall comply with applicable laws and regulations (including the rules of Nasdaq Helsinki and the Finnish Corporate Governance Code and its independence requirements).

This charter of the Nomination Board (the "**Charter**") regulates the nomination and composition of the Nomination Board as well as defines the tasks and duties of the Nomination Board.

## 2 Nomination and Composition of the Nomination Board

### Composition of the Nomination Board

The Nomination Board consists of three (3) physical persons nominated by the shareholders as members. The members of the Nomination Board shall represent the Company's three (3) largest shareholders who (i) represent the largest number of votes of all shares in the Company on the first banking day of June each year (the "**Value Day**") as determined on the basis of the shareholder register of the Company maintained by Euroclear Finland Ltd; and (ii) wish to nominate a member to the Nomination Board.

If two or more shareholders have the same number of shares and cannot all have the right to nominate one of the members of the Nomination Board, the right to nominate is determined by the drawing of lots among such shareholders by the Chairman of the Board.

The Chairman of the Board act as an expert member in the Nomination Board. However, the Chairman of the Board is not an official member of the Nomination Board and does not have any voting rights but has the right to attend the meetings of the Nomination Board.

### Appointment of the Nomination Board and election of its Chairperson

It is the duty of the Chairman of the Board to ask each of the three (3) largest shareholders to nominate one member to the Nomination Board. If a shareholder does not wish to exercise their right

to nominate a member to the Nomination Board, the nomination right will be transferred to the next largest shareholder who would not otherwise be entitled to nominate a member to the Nomination Board.

If a shareholder, who would have the obligation to notify the Company of certain changes in shareholding under the Finnish Securities Markets Act (flagging obligation), presents a written request directed to the Board by the Value Day, the holdings of a corporation or a foundation controlled by such shareholder or such shareholder's holdings in several funds or registers will be combined when calculating the nomination right.

A holder of nominee-registered shares will be taken into account when determining the composition of the Nomination Board if the holder of nominee-registered shares presents a written request concerning the issue directed to the Board no later than on the Value Day.

Each shareholder entitled to nominate a member to the Nomination Board shall endeavour to elect a person who has the qualifications and experience necessary to meet the responsibilities and duties of Nomination Board.

The Nomination Board shall in its constitutive meeting elect, by majority vote, its Chairperson from among the shareholder appointed members of the Nomination Board.

#### *Disclosure of the composition of the Nomination Board*

The composition of the Nomination Board is disclosed by a release by the Company in accordance with market practice and the rules of Nasdaq Helsinki after the composition of the Nomination Board is determined and the Chairman of the Nomination Board has been elected in the constitutive meeting of the Nomination Board. If the composition of the Nomination Board has already been disclosed to the market, later changes in the composition of the Nomination Board shall also be disclosed by a release.

#### *Changes in the composition of the Nomination Board*

A shareholder who has nominated a member to the Nomination Board is entitled, for compelling reasons, to replace its representative in the Nomination Board until the Proposals (as defined in in Section 3) of the Nomination Board have been disclosed by a release (on 31 January at the latest).

If a shareholder who has nominated a member to the Nomination Board transfers its shares before the Proposals (as defined in Section 3) of the Nomination Board have been disclosed so that such shareholder is no longer one of the ten (10) largest shareholders of the Company, the person representing such shareholder shall recuse her or himself from the work of the Nomination Board with immediate effect. The Nomination Board may, at its sole discretion, request the largest shareholder(s) who have not nominated a member to the Nomination Board (in the order of votes represented by their shares on the day of the request) to appoint a new member to replace a prematurely vacated seat. The Nomination Board must always ensure that a new member of the Nomination Board is nominated if the number of Nomination Board members decreases to less than two (2) during the members' term of office.

#### *The term of the Nomination Board.*

The term of the members of the Nomination Board shall end upon the appointment of the following Nomination Board in accordance with this Charter.

### **3 Duties of the Nomination Board**

The Nomination Board shall have the power and authority to perform the following duties and to fulfil the following responsibilities:

- (a) to prepare and to present a proposal to the General Meeting of Shareholders concerning the number of the members of the Board within the limits of the articles of association;
- (b) to prepare and to present a proposal to the General Meeting of Shareholders concerning the members of the Board;
- (c) to prepare and to present proposals to the General Meeting of Shareholders concerning the remuneration of the members of the Board and the Board committees; and
- (d) to seek prospective successor candidates for the members of the Board.

(items (a) through (c) collectively the “**Proposals**”).

The Nomination Board shall receive the results of the yearly evaluation of the Board as well as the assessment of each director’s independence of the Company and of significant shareholders of the Company. The Nomination Board shall take the results of the Board evaluation and the requirements relating to directors’ independence into account in its work.

The management of the Company will, upon request by the Nomination Board, assist the Nomination Board by providing information necessary for the Nomination Board to perform its duties pursuant to this Charter. The Nomination Board may also employ the services of an outside consultant in the quest for suitable Board candidates.

The Nomination Board may not assume other responsibilities beyond those assigned to it in this Charter.

### **4 Tasks of the Chairman**

The Chairman’s duty is to direct the work of the Nomination Board so that the Nomination Board efficiently discharges its duties and responsibilities and achieves the objectives set to it and in doing so, takes into account the expectations of the shareholders and the benefit of the Company.

The Chairman of the Board acts as a convener of the first meeting of Nomination Board. The Nomination Board meets at the call of its Chairman, who also prepares the agenda and material for the meetings.

The Chairman convenes additional meetings at the Chairman’s discretion or upon a request of a member of the Nomination Board.

### **5 Decision-making and minutes**

The Nomination Board shall constitute a quorum when more than half of its members are present. The Nomination Board may not make a decision unless all members have been reserved the possibility to consider the matter and to participate in the meeting.

The Nomination Board shall make the decisions on the Proposals unanimously. If consensus cannot be reached, the Nomination Board shall inform the Board that it is unable to make the Proposals.

The General Counsel of the Company shall act as the secretary of the Nomination Board. All decisions by the Nomination Board shall be recorded in minutes. The minutes shall be dated, numbered and

stored in a safe manner by the secretary. The minutes shall be signed by all the Nomination Board members present at the meeting and the secretary.

## **6 Proposals and Reporting**

The Nomination Board shall submit its Proposals to the Board at the latest on 31 January each year. Should a matter that is to be prepared by the Nomination Board come up for decision-making at an Extraordinary General Meeting of Shareholders, the Nomination Board shall submit its Proposal to the Board in sufficient time for it to be included in the notice to the General Meeting of Shareholders. The Proposals of the Nomination Board will be disclosed by a release by the Company and included in the notice to the General Meeting of Shareholders.

The Chairman of the Nomination Board, or if the Chairman is prevented from doing so, another member of the Nomination Board, shall present the Proposals at the General Meeting of Shareholders. Information on the Nomination Board's election process, composition and operations as well as the Proposals shall be published on the Company's website and in the Company's corporate governance statement.

## **7 Remuneration, Costs and Expenses**

The members of the Nomination Board shall not be entitled to remuneration from the Company on the basis of their membership unless otherwise decided by the General Meeting of Shareholders. All reasonable costs and expenses related to the Nomination Board shall be borne by the Company.

## **8 Confidentiality**

The members of the Nomination Board and the shareholders represented by them must keep the information concerning the Proposals as well as any information received in connection with performing the duties of the Nomination Board confidential for as long as such information has not been disclosed by the Company. Relevant rules and regulations concerning market abuse in the financial markets shall be applied to any inside information that the members of the Nomination Board might receive.

## **9 Charter Revision**

Material amendments to this Charter, such as amendments to the number of the members of the Nomination Board and to the election criteria, shall be resolved by the General Meeting of Shareholders. This Charter shall be reviewed by the Nomination Board annually and, if necessary, the Nomination Board shall propose amendments to the General Meeting of Shareholders. The Nomination Board is authorised to make technical updates and amendments to this Charter.

This Charter has been prepared both in Finnish and English. In the event of any discrepancies, the Finnish version shall be decisive.

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