

With good corporate governance, we secure compliance and create shareholder trust.

04

CORPORATE GOVERNANCE STATEMENT

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Introduction

Lamor Corporation Plc's ("Lamor") Corporate governance statement has been prepared in accordance with the current laws and regulations and it is issued separately from the Board of Directors' report. This statement has been reviewed by the Board of Directors' Audit Committee.

Regulations affecting Lamor's corporate governance

During 2023, Lamor implemented two capital market transactions, both of which brought changes to the internal and external regulations affecting Lamor's corporate governance system: in August 2023, Lamor issued a green bond on the First North Bond Market marketplace maintained by Nasdaq Helsinki, and in November 2023, Lamor's share trading was transferred to the Nasdaq Helsinki official list from the Premier segment of the First North Growth Market Finland marketplace maintained by Nasdaq Helsinki.

Lamor's corporate governance is guided by different external regulations and internal policies and procedures, the most significant of which are presented below:

External regulation

In addition to applicable EU and Finnish legislation for public limited liability companies, Lamor complies with the Finnish Corporate Governance Code ("Corporate Governance Code") issued by the Finnish Securities Market Association and available at www.cgfinland.fi. Lamor follows the Corporate Governance Code in full.

Lamor has additionally followed the instructions and regulations of the European Securities Market Authority

and the Finnish Financial Supervisory Authority as well as Nasdaq Helsinki's insider guidelines and rules as follows:

- The rules of Nasdaq Helsinki's First North Growth Market for the issuers of shares, to the extent applicable to the Premier segment, during 1 January–22 November 2023
- Nasdaq Helsinki's rules for issuers of shares as of 15 November 2023

In addition, Lamor started complying with the Nasdaq Helsinki Bond market rules for the issuers of notes as of 17 August 2023.

Lamor's financial reports, including consolidated financial statements, are prepared in accordance with the International Financial Reporting Standards (IFRS) and their IFRIC Interpretations as adopted by the European Union.

Internal regulation

The most significant internal regulations, policies and rules affecting Lamor's corporate governance in 2023 include:

- Articles of Association
- Code of Conduct
- Policies and instructions concerning corporate governance
- Charters of the Board of Directors and those of the Board Committees
- Charter of the Shareholders' Nomination Board
- Green Finance Framework



In 2023, regulation on Lamor's corporate governance was particularly affected by the transfer to the official list of Nasdaq Helsinki and the issuance of the green bond.

Governance structure

Lamor's governance structure

In accordance with the Finnish Limited Liability Companies Act, the responsibility for Lamor's management and administration is divided between the General Meeting and the Board of Directors. Lamor's governing bodies include the General Meeting, the Shareholders' Nomination Board, which is established as a permanent governing body of the shareholders, the company's Board of Directors with its committees, and the CEO. In addition, Lamor's Management Team assists the CEO in managing the company's business.

The shareholders have the ultimate decision-making power at the General Meeting. The Annual General Meeting resolves on the election of the Board of

Directors and the auditor as well as on other matters, in accordance with the Finnish Limited Liability Companies Act and Lamor's Articles of Association and falling within the competence of the General Meeting.

The Shareholders' Nomination Board is a permanent committee established in 2022. The committee made its first proposal for the composition and remuneration of the Board of Directors to Lamor's Annual General Meeting 2023.

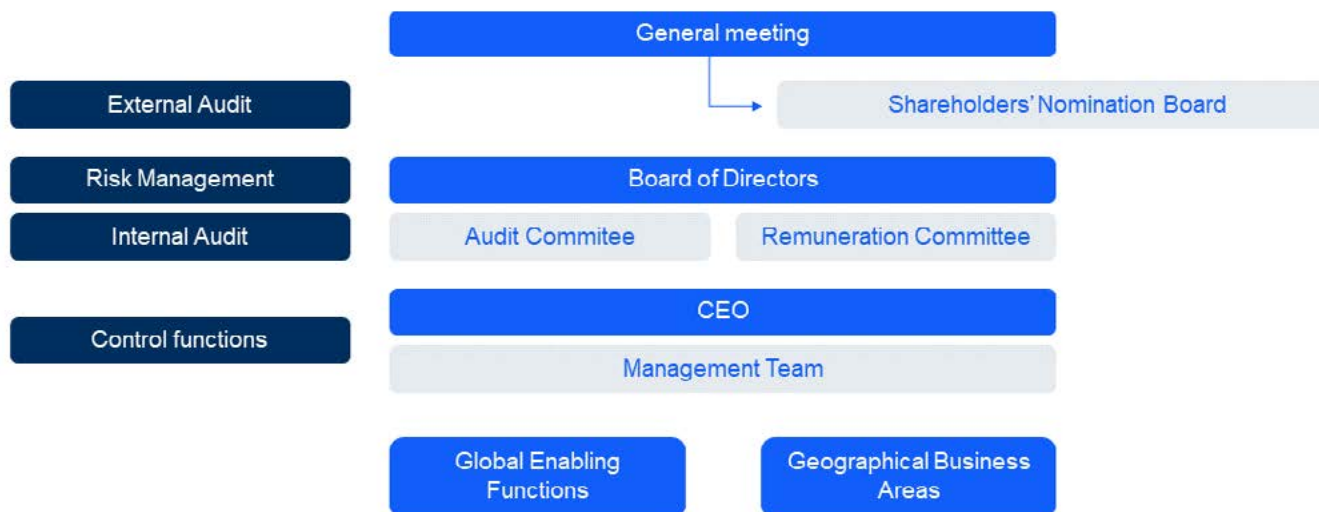
Lamor's Board of Directors decides on the appointment of the company's CEO as well as on the terms of the CEO's contract of duty and remuneration, in accordance with the remuneration policy approved by the General Meeting. In addition, based on the CEO's

proposal, the Board also decides on the composition and remuneration of the company's Management Team.

The Board of Directors steers and supervises the management of the CEO and the Management Team as well as the achievement of the objectives for the strategic and financial targets defined for Lamor Group's global support functions and geographical business areas, as well as those concerning shareholder value development and business responsibility.

The Board's committees prepare proposals to the Board and carry out tasks as delegated by the Board to their committees in accordance with the respective areas of responsibility.

During 2023, internal audit was separated from Lamor's risk management as an independent function. This is described in more detail in the Control system section.



General Meeting

The General Meeting is Lamor's highest decision-making body. It makes decisions on the matters pertaining to it in accordance with the Finnish Limited Liability Companies Act and the company's Articles of Association. At the General Meeting, all shareholders of the company may participate in the company's supervision and exercise their right to vote, speak and present questions. Resolutions are generally passed with a simple majority of votes.

The General Meeting is convened by the company's Board of Directors. In addition to the Annual General Meeting, the Board can convene an Extraordinary General Meeting on its own initiative. An Extraordinary General Meeting must also be convened if requested by the company's auditor or shareholders who represent at least ten (10) percent of all company shares.

In accordance with the amendment to the Articles of Association resolved by Lamor's Extraordinary General Meeting on 1 November 2023, the notice of the General Meeting shall be sent to the shareholders by publishing it on the company's website no earlier than three (3) months before the record date of the General Meeting as referred to in the Finnish Limited Liability Companies Act and no later than three (3) weeks before the General Meeting, however no later than nine (9) days before the record date of the General Meeting referred to in the Finnish Limited Liability Companies Act. In addition, Lamor publishes the notice of the meeting as a stock exchange release.

The documents and proposals for the resolutions to be presented to the General Meeting are published on Lamor's website.

To participate in a General Meeting, a shareholder must be registered in Lamor's shareholder register maintained by Euroclear Finland Ltd on the record date of the General Meeting. Each share corresponds to one vote. Instructions on the participation of nominee-registered shareholders in the General Meeting are included in the notice of the meeting.

Annual General Meeting

The Annual General Meeting is held annually on a date determined by the Board of Directors, however no later than six (6) months from the end of the company's financial year. The General Meeting resolves on matters belonging to it in accordance with the Finnish Limited Liability Companies Act and the company's Articles of Association dated 1 November 2023, including:

- adopting the financial statements, including the consolidated financial statements
- resolving on the use of the profit shown in the balance sheet, such as the distribution of dividends
- resolving on the discharge of Board members and the CEO from liability
- resolving on the election of the members of the Board of Directors and the auditor
- resolving on the remuneration of the Board of Directors and the auditor, including the basis for reimbursement of travel expenses
- approving the remuneration report of the governing bodies and, if necessary, the remuneration policy (advisory resolution)
- other proposals to the General Meeting made by the Board of Directors or shareholders, including for instance amending the Articles of Association or giving authorisations to the Board of Directors, for example, in relation to the company's shares, their issuance or acquisition

A shareholder has the right, in accordance with the Finnish Limited Liability Companies Act, to have a matter belonging to the General Meeting on the agenda of the General Meeting, if he or she requests it in writing from the Board of Directors in sufficient time for the matter to be included in the notice of the Meeting. On its website, the company announces the date by which a shareholder must present a matter required for consideration by the Annual General Meeting to the Board of Directors. The date will be announced no later than the end of the financial year preceding the Annual General Meeting.

The Chairman of the Board of Directors, the members of the Board of Directors, the CEO and the auditor are required to be present at the Annual General Meeting, as well as persons nominated as new members of the Board of Directors.

General Meetings held during 2023

Lamor had two General Meetings in 2023. The minutes of the General Meetings and other documents related to the General Meetings are available on the company's website.

Annual General Meeting 2023

Lamor's Annual General Meeting was held on 4 April 2023 as a hybrid meeting. As an alternative to participating in the General Meeting at the meeting venue in Porvoo, Finland, shareholders could exercise their rights fully also remotely. The General Meeting was in favour of all proposals submitted to the General Meeting by the Board of Directors and the Shareholders' Nomination Board.

The Annual General Meeting adopted the financial statements for the year 2022 and resolved not to distribute dividends. The Annual General Meeting discharged the Board members and the CEO from liability, approved the 2022 remuneration report of the governing bodies and approved the amendments to the Articles of Association as proposed by the Board of Directors.

In addition, Lamor's Annual General Meeting 2023 decided, in accordance with the Board's proposals, to authorize the Board to decide on the acquisition of own shares, the issuance of shares and the granting of special rights in accordance with the terms approved by the General Meeting.

The General Meeting resolved, in accordance with the Shareholders' Nomination Board's proposal, on the remuneration for the Board of Directors, confirmed the number of Board members to be five (5) and re-elected Nina Ehrnrooth, Fred Larsen, Kaisa Lipponen, Timo Rantanen and Mika Ståhlberg as the Board members.

Public accountants Ernst & Young Oy were re-elected as the company’s auditor, with APA Juha Hilmola as the auditor with principal responsibility.

Extraordinary General Meeting 2023

Lamor’s Extraordinary General Meeting was held on 1 November 2023 as a hybrid meeting in accordance with the Finnish Limited Liability Companies Act. As an alternative to participating in the General Meeting at the meeting venue in Helsinki, Finland, shareholders could exercise their rights fully also remotely.

The Extraordinary General Meeting was arranged for resolving on certain technical changes to the Articles of Association to enable the company’s planned transfer to the official list of Nasdaq Helsinki. The General Meeting was in favour of the Board’s proposal to amend the Articles of Association.

Shareholders’ Nomination Board

The Shareholders’ Nomination Board was established by a resolution of the Annual General Meeting 2022 as a permanent corporate body of Lamor. As a rule, the Nomination Board has four (4) members, of whom the company’s three (3) largest shareholders are each entitled to nominate one member.

The duties of the Nomination Board include the annual preparing and presenting for the Annual General Meeting, and when necessary to the Extraordinary General Meeting, proposals on the remuneration, number of the members and the members of the Board of Directors. Further, the duties include searching for possible candidates for new members of the Board of Directors.

When preparing a proposal for the composition of Lamor’s Board of Directors, in addition to evaluating the complementary competences and independence of the proposed persons, as well as other set criteria, the Nomination Board must consider the principles regarding the diversity of Lamor’s Board members, and if necessary, propose changes to them.

When preparing a proposal on remuneration for the Board of Directors, the Nomination Board must consider the remuneration policy approved in the advisory vote of Lamor’s General Meeting.

The charter of the Nomination Board, as approved by the General Meeting, is available in its entirety on Lamor’s website.

Organisation of the Nomination Board

In accordance with the charter of the Shareholders’ Nomination Board, the Chairman of the Board of Directors of Lamor ensures on behalf of the Board that the Shareholders’ Nomination Board is appointed annually. In addition, the Chairman of Lamor’s Board convenes the first meeting of the Nomination Board after the annual nomination process and acts as the fourth member of the Nomination Board.

The person appointed by the largest shareholder serves as the Chairman of the Nomination Board, unless the Nomination Board decides otherwise, and is responsible for convening the Nomination Board after organisation.

Activities and composition of the Nomination Board

The members of the Nomination Board during 2023 have been appointed by Lamor’s three largest shareholders,

based on the nomination right as determined based on the share ownership as of 1 September of each term of office.

The Nomination Board appointed in 2022 convened once (1) during 2023, and on 4 January 2023, informed the Lamor Board of Directors of its proposal for Lamor’s Annual General Meeting 2023 regarding the composition and remuneration of the Board.

The Nomination Board appointed in 2023 convened once (1) during 2023.

All members of the Nomination Board (100%) participated in the meeting.

Proposals by the Shareholders’ Nomination Board to the Annual General Meeting 2024

On 24 January 2024, the Shareholders’ Nomination Board notified Lamor’s Board of Directors of its proposal for Lamor’s Annual General Meeting 2024 regarding the Board’s composition and remuneration. Lamor announced the proposals as a stock exchange release on the same day.

The Nomination Board’s proposals are included in the notice of the Annual General Meeting. The proposals and additional information about the proposed persons are also available on Lamor’s website.

The composition of the Nomination Board for the term starting in 2023

Shareholder	Representative	Position	Member since
Larsen Family Corporation Oy	Fred Larsen, Chairman of the Board	Chairman	2022
Finnish Industry Investment Ltd.	Juuso Puolanne, Investment Director	Member	2022
Ilmarinen Mutual Pension Insurance Company	Annika Ekman, Head of Direct Equity Investments	Member	2023
Lamor Corporation Oyj	Mika Ståhlberg, Chairman of the Board	Member	2022

Board of Directors

The Board of Directors is responsible for appropriate organisation of Lamor's governance and operations.

According to Lamor's Articles of Association, the company's Board of Directors has at least three (3) and a maximum of eight (8) ordinary members, and the term of office of the members of the Board of Directors ends at the end of the Annual General Meeting following the election.

The operating procedures and rules of Lamor's Board of Directors are described in the charter approved by the Board. The charter was updated in connection with the transfer to the official list of Nasdaq Helsinki at the end of 2023 to include a requirement for Lamor's Board to convene monthly, i.e. at least twelve (12) times annually.

There is a quorum when more than half of the Board members are present. Disqualified members shall not be considered when calculating the quorum.

The Board's tasks

The Board's responsibilities and obligations are primarily defined in Lamor's Articles of Association and in the Finnish Limited Liability Companies Act. In accordance with its charter, the duties of the Board of Directors also include:

Strategy and financial targets

- deciding on Lamor's strategy and the company's strategic and financial targets
- determining Lamor's dividend policy

Supervising and ensuring the compliance of operations

- supervising and controlling Lamor's management and operations
- confirming the charters of the Board and the Board Committees

Risk management

- approving Lamor's risk management principles and certain risk management policies and practices and supervising their implementation

Investments

- deciding on significant investments, acquisitions and divestments

Financial reporting and sustainability reporting

- overseeing Lamor's financial reporting and approving Lamor's interim and half-year reports, annual reports and financial statements
- approving Lamor's sustainability principles and overseeing the company's sustainability reporting

Management remuneration

- deciding on the remuneration, incentive schemes and performance metrics of the CEO and the Management Team, in accordance with Lamor's remuneration policy

Other matters to be decided by the Board

- deciding on other significant issues concerning Lamor's operations

Activities of the Board of Directors in 2023

In 2023, the key focus area of the Board's work was to monitor the progress of the measures defined to achieve the strategic and financial goals set for Lamor's strategy period 2023–2025, as well as to decide on the necessary measures and investments to support the implementation of the strategy. As the most significant investment, the Board decided in accordance with the strategy to invest in the construction of a chemical plastic recycling plant in Kilpilahti, Porvoo, Finland.

In May 2023, the Board approved Lamor's Green Finance Framework. CICERO Shades of Green assessed Lamor's Green Finance Framework and its governance to be on the level of CICERO Medium Green. Within the Green Finance Framework, the Board decided in

August 2023 on the offering and issuing Lamor's first green bond on the First North Bond Market marketplace maintained by Nasdaq Helsinki.

In November 2023, Lamor's Board of Directors decided to apply for the listing of its shares on the Nasdaq Helsinki official list, and after Nasdaq Helsinki accepted the application, trading of Lamor's shares on the stock exchange list began on 23 November 2023. The purpose of the transfer to the official list was to support Lamor in reaching its strategic targets, to contribute to the expansion of Lamor's shareholder base and to support the increase in the liquidity of Lamor's shares in the long term as well as to improve the awareness of Lamor among different stakeholder groups. In connection with the transfer, no new shares were issued.

In connection with both the issuance of the green bond and the transfer to the official list, Lamor's Board of Directors decided on certain updates to the company's corporate governance and related policies to comply with the applicable regulation for the companies listed on the First North Bond Market marketplace and on the official list of Nasdaq Helsinki.

Towards the end of 2023, the key focus area of Lamor's Board of Directors' work was also to ensure appropriate human resources at the senior management level to implement the company's growth strategy and to lead the company towards its long-term financial goals. In December 2023, the Board decided on changing the company's CEO.

The assessment of the Board's work was carried out in a form of internal assessment.

The meetings of the Board of Directors

In 2023, a total of eighteen (18) Board meetings were held. Eleven (11) of the meetings were regular meetings and seven (7) were additional internal Board meetings. In connection with the regular meetings, the Board received up-to-date information on Lamor's operations, financial situation and risks. The CEO and CFO and, depending on the issues discussed, other members of the Management Team also participated in the meetings. In connection with the internal meetings of the Board, in particular issues concerning the evaluation of senior management and succession planning were discussed. Minutes were kept of all Board meetings.

Committees of the Board of Directors

Lamor's Board of Directors has two permanent committees: the Audit Committee and the Remuneration Committee.

The main tasks and operating principles of the committees are defined in written charters, which the Board approves in connection with its annual organisation and which are updated when necessary.

The election of the members and the work of both committees are guided by the following principles:

- The Board's committees prepare proposals to the Board and carry out tasks delegated by the Board and in accordance with the Corporate Governance Code, within their respective areas of responsibility.
- The Board has confirmed the main tasks and operating principles of the committees in their written charters.
- The Board elects the chairmen and members of the committees from among themselves at its constitutive meeting and supervises their work during their term of office.
- Each committee has at least three (3) Board members.
- The term of office of the committees is one (1) year, and their term of office ends at the end of the Annual

General Meeting following the election.

- A person who participates in the day-to-day management of Lamor or a company belonging to the same group of companies as it, for example as CEO, cannot be accepted as a committee member.
- If necessary, the committees may consult external experts to the extent agreed with the company and the Board of Directors and taking into consideration independence factors

Audit Committee

The Audit Committee prepares matters relating to, among other things, financial reporting, risk management, monitoring and evaluation of related party transactions, audit and auditors, internal audit as well as compliance of these matters with laws and regulations.

The majority of the members of the Audit Committee must be independent of Lamor and at least one (1) member of the Committee must be independent of Lamor's significant shareholders.

The members of the Audit Committee must have sufficient expertise and experience with respect to the committee's area of responsibility and the mandatory tasks relating to auditing. At least one (1) Audit Committee member must have expertise in accounting or auditing.

Remuneration Committee

The duties of the Remuneration Committee include preparing remuneration matters to be considered by the Board relating to the appointment and remuneration of the CEO and other key individuals at Lamor as well as Lamor's general remuneration principles and incentive schemes.

The majority of the members of the Committee shall be independent of the company.

The members of the Remuneration Committee shall possess sufficient competence and experience considering the committee's area of responsibility.

Expertise and diversity of the Board of Directors

The members of the Board were elected at the 2023 Annual General Meeting in accordance with the recommendation of the Shareholders' Nomination Board regarding the Board's election procedure, so that the shareholders took a position at the General Meeting on the composition of the Board as a whole. The aim of the recommendation was to ensure that, in addition to the qualifications of the individual members of the Board, the proposed Board as a whole would have appropriate expertise and experience for the company, and that the composition of the Board would meet the requirements of the Finnish Corporate Governance Code.

In order to secure diverse perspectives, in addition to professional competence, other aspects have also been considered, such as the age and gender distribution of the Board. In 2023, two (2) out of five (5) Board members were women, and the goal has been to maintain the corresponding ratio of different genders.

In addition, Lamor's Board of Directors decided on a policy update in 2023, in accordance with which the members of the Board of Directors are expected to jointly and separately develop their sustainability-related competencies.

Independence of the members of the Board of Directors

The assessment of the independence of the Board of Directors is carried out at least annually and when needed. The information on the independence of each Board member is included in this report as part of the information regarding the composition of the Board of Directors in 2023.

Composition of the Board of Directors 31.12.2023



Mika Ståhlberg

Chair of the Board since 2022
Member of the Audit Committee since 2022

Born: 1969
Nationality: Finnish
Education: LL.B, Attorney of Law

Main positions of duty and of trust:
Partner, law firm Krogerus

Independence: Independent of the company and the company's main shareholders

Meeting attendance in 2023:
18/18 Board meetings
6/6 Audit Committee meetings

Shareholding on 31 December 2023*:
11 500



Fred Larsen

Vice Chair of the Board since 2022
Member of the Board since 1998

Born: 1968
Nationality: Finnish and Danish
Education: High school diploma

Main positions of duty and of trust:
Chair of the Board, Larsen Family Corporation Oy; Chair of the Board, Fastighets Ab Krämaretorget

Independence: Not independent of the company and the company's main shareholders

Meeting attendance in 2023:
18/18 Board meetings

Shareholding on 31 December 2023*:
10 895 650



Nina Ehrnrooth

Member of the Board since 2021
Member of the Remuneration Committee since 2022
Member of the Audit Committee in 2021–2022

Born: 1962
Nationality: Finnish
Education: M.Sc. (Econ.)

Main positions of duty and of trust:
Advisor, Frilufts Retail Europe AB; Chair of the Board, Oy Bonnina Ab; Member of the Board, Ori Solution Oy

Independence: Independent of the company and the company's main shareholders

Meeting attendance in 2023:
18/18 Board meetings
3/3 Remuneration Committee Meetings

Shareholding on 31 December 2023:
23 000



Kaisa Lipponen

Member of the Board since 2021
Member of the Audit Committee since 2021
Member of the Remuneration Committee since 2022

Born: 1980
Nationality: Finnish
Education: MA

Main positions of duty and of trust:
SVP, Communications & Sustainability, Paulig Ab; Member of the Board, Third Rock Finland Oy

Independence: Independent of the company and the company's main shareholders

Meeting attendance in 2023:
18/18 Board meetings
6/6 Audit Committee meetings
3/3 Remuneration Committee Meetings

Shareholding on 31 December 2023:
3 500



Timo Rantanen

Member of the Board since 2019
Chair of the Audit Committee since 2021
Chair of the Remuneration Committee since 2022

Born: 1961
Nationality: Finnish
Education: M.Sc. (Econ.)

Main positions of duty and of trust:
CEO, Capital Dynamics Oy; Chair of the Board, Genera group companies; other Board memberships in several companies

Independence: Independent of the company and the company's main shareholders

Meeting attendance in 2023:
18/18 Board meetings
6/6 Audit Committee meetings
3/3 Remuneration Committee Meetings

Shareholding on 31 December 2023*:
631 850

*) Including direct ownership and indirect ownership through controlled entity

CEO and Management Team

CEO

The CEO's duties are mainly governed by the Finnish Limited Liability Companies Act. The CEO is responsible for managing, directing and supervising Lamor's business. In addition, the CEO is responsible for the day-to-day management of Lamor in accordance with the instructions and regulations issued by the Board of Directors. The CEO is also responsible for ensuring that Lamor's accounting practice complies with applicable legislation and that the company's financial management is organised in a reliable manner.

The CEO must provide the Board and its members with the information necessary to perform the Board's duties.

The Board selects and dismisses the CEO and decides on the terms of the CEO's employment.

Mika Pirneskoski served as CEO of Lamor until 15 December 2023, and Johan Grön was the CEO from 15 December 2023. The company has not had a deputy CEO.

Management Team

The task of Lamor Group's Management Team is to support the CEO in the business planning and operational management. In addition, the Management Team prepares possible investments, acquisitions and development projects.

The members of the Management Team have been given broad mandates in their areas of responsibility, and they have a duty to develop Lamor's operations in accordance with the goals set by the Board of Directors and the CEO. The position of the Management Team is not regulated by law or in the company's Articles of Association, but it has a key role in the management of the company.

During the financial year 2023, Lamor's Management Team operated in its earlier composition as decided in 2022, apart from the change of CEO in December 2023. In addition to the CEO, CFO, COO and CDO (from 20 December 2023, Chief Strategy Officeqr), Lamor's Management Team included the SVPs of the company's three geographical business areas. In addition, Lamor's HR Director served on the company's extended management team.

The activities of the Management Team in 2023

In 2023, the Management Team focused especially on the implementation of the company's updated strategy and the new operational mode, as well as on creating an even stronger integrated way of operating to ensure business growth and the achievement of financial goals. To monitor the implementation of the strategy, the Management Team defined strategic key projects, the progress of which were monitored at monthly Management Team meetings.

In the Management Team's work, emphasis was on the assessment of new business opportunities, the adequacy of the competencies needed in them, personnel issues and the monitoring of critical project deliveries. In their meetings, the Management Team also regularly discussed issues related to financial forecast and reporting, as well as financing and sustainability. As a new matter, the Management Team also began to monitor the progress of the chemical plastic recycling plant project. They also regularly discussed the development of sales and sales potential and reviewed the observations of the project steering groups regarding the progress of the projects and possible risks.

During 2023, the Management Team defined the company's Green Finance Framework, as well as ensured the company's readiness and compliance regarding both the issuance of the company's first green bond and transfer to the official list of Nasdaq. The Management Team convened regularly during the year, at least monthly or more frequently, if needed.

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In the Management Team's work, the emphasis was on the assessment of new business opportunities, the adequacy of the competencies needed in them, personnel issues and the monitoring of critical project deliveries.

Group Management Team composition 31.12.2023



Johan Grön
CEO since 15 December 2023
COO until 15 December 2023

Born: 1966
Nationality: Finnish
Education: D.Sc. (Chem. Eng.)

Other key experience: several earlier director or management positions at Gasum, Outotec, Kemira, Xylem Inc., Stora Enso and Valmet

Shareholding on 31 December 2023:
0



Timo Koponen
CFO

Born: 1969
Nationality: Finnish
Education: M.Sc. (Econ.)

Other key experience: several earlier positions at Wärtsilä; external advisor at Bain & Company and Trailmaker Oy

Shareholding on 31 December 2023:
115,450



Johanna Grönroos
Chief Strategy Officer since 20 December 2023
CDO until 20 December 2023

Born: 1977
Nationality: Finnish
Education: M.Sc. (Econ.)

Other key experience: earlier positions as partner at Ernst & Young Oy; specialist at Kesko Group administration

Shareholding on 31 December 2023:
57,500



Santiago Gonzalez
SVP, North and South America

Born: 1962
Nationality: Columbian and Spanish
Education: Industrial Engineer

Other key experience: previously General Manager of Corena Ecuador, part of Lamor Group

Shareholding on 31 December 2023:
722,627



Magnus Miemois
SVP, Europe and Asia

Born: 1970
Nationality: Finnish
Education: DI

Other key experience: earlier director positions at Lamor; before joining Lamor, several positions at Wärtsilä

Shareholding on 31 December 2023:
63 438



Pentti Korjonen
SVP, Middle East and Africa

Born: 1963
Nationality: Finnish
Education: Industrial Marketing Degree

Other key experience: earlier director positions at Metso Outotec, Outotec and Nokia Networks

Shareholding on 31 December 2023:
0



Extended Management Team

Mervi Oikkonen
HR Director

Born: 1976
Nationality: Finnish
Education: M.Sc. (Econ.)

Other key experience: earlier HR director positions at Neste Oyj and in different business units at ABB

Shareholding on 31 December 2023:
0

In addition, Mika Pirneskoski served as the company CEO until 15 December 2023.

Control system

Starting points and objectives

The main function of Lamor's control system is to support the compliance and transparency of the company's operations.

The objective of Lamor's internal control and risk management operating model related to financial reporting is to provide sufficient assurance about the reliability of financial reporting and that the financial statements have been prepared in accordance with the applicable laws and regulations, accepted accounting principles (IFRS standard at the Group level, local accounting standards in each country) and the other applicable requirements for listed companies.

Compliance and operating principles

Lamor's ethical principles (Code of Conduct) and other operating principles form the basis for daily business operations. Lamor and all its employees are expected to comply with all local laws and regulations in all their activities and to create and maintain ethical relationships with their customers, suppliers and other stakeholders.

Lamor's ethical principles (Code of Conduct) define the company's ethical business practices, environmental values, human rights and employee rights also in the company's entire value chain.

The Lamor's operating principles, internal control environment and risk management support and secure the achievement of the company's financial and strategic targets and prevent events that could have a negative impact on the realisation.



Principles of internal control and risk management related to the financial reporting process

Internal control is essential in ensuring the company's operational capability. It is a critical part of risk management, enabling the creation and maintenance of the company's value.

Internal control aims to ensure that the company complies with applicable laws, regulations, ethical principles (Code of Conduct) and other instructions and recommendations. In addition, internal control aims to ensure the reliability of the company's financial and operational reporting.

The operating models of internal control are aligned with the risk management process. The aim of the risk management is to support the strategy and the achievement of targets by identifying possible business threats and opportunities and mitigating them.

The key objectives of internal control and risk management related to financial reporting are, among other things, to ensure:

- sufficient certainty about the reliability of financial reporting
- preparation of financial statements in accordance with applicable laws and regulations, accounting principles (IFRS) and other set requirements
- securing the company's funds and assets
- the effectiveness and overall efficiency of the company's operations to achieve strategic, operational and financial goals
- protecting the resources of the company and its business units from misuse
- propriety of transactions
- proper functionality and management of IT systems and information security

Areas of internal control

The areas of internal control are the control environment, risk assessment, control functions, communication and monitoring. This report presents the control environment that is part of Lamor's control system, especially from the point of view of financial reporting. The description of the control system for non-financial information is presented in additional detail in the section on sustainability.

Control environment

The main responsibility for the internal control of Lamor's financial reporting rests with the company's Board of Directors. The Board's responsibilities and the internal division of labour between the Board and its committees are defined in the working order confirmed in writing by the Board. The task of the Audit Committee appointed by the Board is to ensure that the principles defined for financial reporting, risk management and internal control are followed, and to enable an appropriate audit.

The CEO is responsible for organising an effective control environment and continuous operation of internal control related to financial reporting, as well as appropriate allocation of resources. Financial risk management is coordinated by the company's CFO. Risks and related changes are reported to the company's Board if necessary.

The most important tools that guide financial reporting are the Code of Conduct, approval policy, disclosure policy, accounting principles and other accounting and reporting rules and standards.

Risk assessment

Risk management supports the achievement of Lamor's strategic and business goals. Risk management covers all areas of the organisation and considers strategic, financial and operational risks, including project-

specific risk management processes. The goal is to systematically identify and evaluate the most significant threat factors at the level of the Group, operations and processes. Effective risk management ensures the continuity of operations even in changing conditions.

The Board of Directors approves Lamor's risk management principles, certain risk management policies and practices and supervises their implementation. Main risks and opportunities are identified and evaluated annually in relation to business goals, and they are an important part of both long- and short-term business planning. The most important risks and business uncertainties identified by Lamor are described in the interim financial reports and also in the Board of Director's report published as part of the financial statements.

Control activities

The CEO is responsible for implementing internal control. Finance-related internal control as well as business and administration control are integrated into the company's business processes. The company has defined and documented significant internal control measures related to the interim and financial statement reporting process as part of the business processes. Key internal control measures include approval mechanisms, access rights, segregation of duties, authorisations, reconciliations and regular unit and Group level monitoring of financial reporting.

Financial reporting is prepared monthly with appropriate monitoring. The management monitors the achievement of goals through monthly management reporting. The consolidated interim reports are prepared quarterly, and financial statements annually. The financial reports and statements must give a correct and sufficient picture of the results of the Group's operations. The financial organisation ensures that the quarterly and half-yearly reporting as well as the financial statements correspond to the company's

principles and guidelines and that all financial reporting is prepared according to the schedule.

From November 2023, the company will have a separate internal audit function. The Board can also use external experts for a separate evaluation of the control environment or control functions.

Communications

The company's internal communication supports the coverage and accuracy of financial reporting. All employees in the Group's various units dealing with the related matters are given information for example about the company's financial reporting goals and internal control requirements, operating instructions and procedures related to accounting and financial reporting, changes to reporting principles, reporting and disclosure obligations.

The disclosure policy defines how and when information needs to be disclosed, who discloses it, and the accuracy and completeness of the information disclosed to fulfil the information disclosure requirements. The current Code of Conduct, disclosure policy and insider guidelines are available on the company's webpage.

Monitoring

Financial monitoring includes systematic processes and formal and informal procedures applied by management to monitor, analyse, and control Lamor's financial performance in relation to budgets and plans. The monitoring includes the monitoring of monthly financial reports, the review of rolling forecasts and plans, and the auditors' and internal audit's reports.

The budgeting process is carried out annually. Realised values are compared to the budget every month. In addition, a quarterly forecast is prepared to ensure that the budget is valid, and it is revised if necessary. In addition, implementation and financial

monitoring of the largest projects are carried out in separate project steering groups.

Division of monitoring duties

The CEO, the group’s Management Team and the management of subsidiaries and associated companies are responsible for compliance, taking into account financial regulation, accounting standards (IFRS) and public market rules and regulations, as well as maintaining an effective control environment. The Board of Directors, the Audit Committee and the CEO monitor the effectiveness of internal control over financial reporting.

In addition to Lamor’s internal control, the internal audit function has an independent role to monitor and regularly evaluate the effectiveness and functionality of Lamor’s management, risk management and internal control of financial reporting. The evaluation takes place

in accordance with the charter of the internal audit as approved by the Audit Committee.

Audit functions

Internal audit

In October 2023, Lamor’s Board of Directors decided to establish a separate internal audit function, as part of the company’s preparation to move to the main list of the stock exchange. Before this, the company did not have a separate internal audit role, but internal audit responsibilities were divided within the company between different bodies and functions.

Lamor’s internal audit is an independent and impartial verification and consulting function, the goal of which is to generate added value for Lamor and improve its operations. Internal audit supports the organisation in achieving its goals by providing a systematic approach

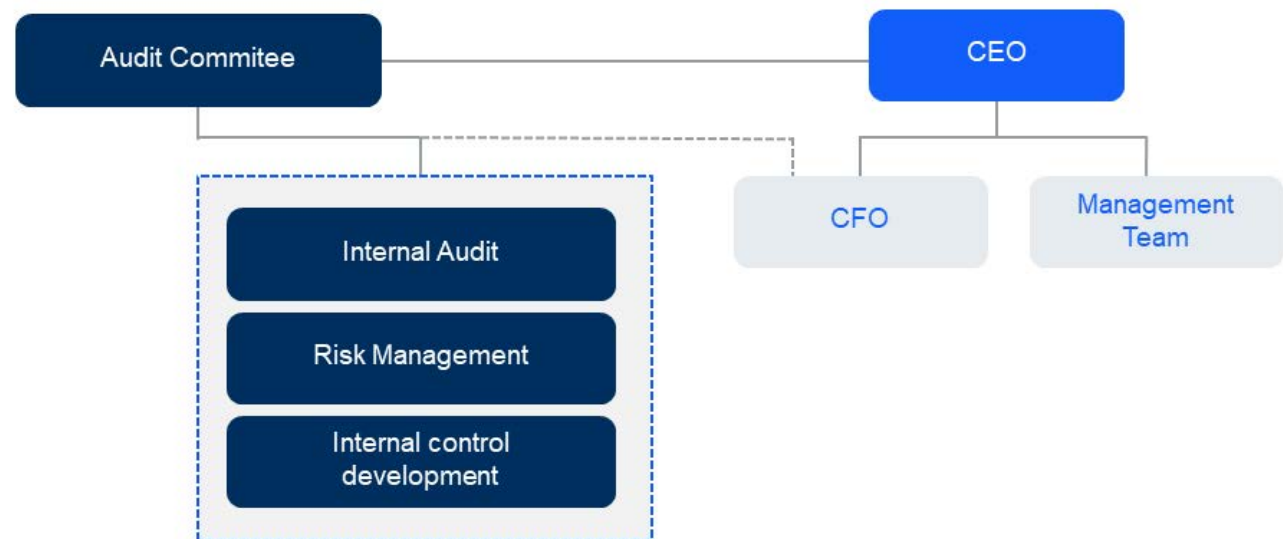
to evaluating and developing the effectiveness of the organisation’s risk management, control and management processes.

Lamor’s Board of Directors decides on the operating principles of the internal audit, which are defined in the charter of the internal audit prepared by the Audit Committee. In addition, the Audit Committee approves the annual internal audit plan, considering the results of the annual risk assessment, various business needs and feedback from management and the Audit Committee and the Board. The internal audit plan is updated if necessary, and separate audit assignments are also carried out if necessary.

The audit findings, recommendations and management’s corrective measures are regularly reported to the Audit Committee. The internal audit function reports functionally to the Audit Committee and administratively to the CFO.



In 2023, the internal audit function was established as a separate function from Lamor’s risk management. The independent and impartial internal audit function reports to the Audit Committee of the Board of Directors.



External audit

According to the company’s Articles of Association, Lamor has one (1) auditor, who must be an auditing firm approved by the Finnish Patent and Registration Office. The auditor’s term of office begins at the General Meeting where the auditor is elected, and ends at the end of the Annual General Meeting following the election. The General Meeting elects the auditor and resolves on the auditor’s remuneration.

The Annual General Meeting held on April 4, 2023 re-elected the auditing firm Ernst & Young Oy as the company’s auditor for a term that ends at the end of the next Annual General Meeting. APA Juha Hilmola continued as the company’s principal auditor. The general meeting further resolved that the auditor will be paid according to a reasonable invoice approved by the company.

The resolution of Lamor’s 2023 Annual General Meeting on the election of the auditor and the auditor’s fees was made in accordance with the Articles of Association in force at the time of the Annual General Meeting. In accordance with the new Articles of Association approved at Lamor’s Extraordinary General Meeting on 1 November 2023, the General Meeting will in the future also resolve on the basis for reimbursement of auditors’ travel expenses.

After the trading of Lamor’s shares transferred to the Nasdaq Helsinki stock exchange list, the audit plan for 2023 was supplemented by defining Key Audit Matters (KAM), the audit of which and possible audit findings are described in connection with the auditor’s report for the financial year 2023.

Lamor’s Audit Committee monitors and evaluates the auditor’s activities and monitors and approves the auditor’s assignments and fees related to activities other than auditing.

Fees paid to the auditor

Thousand euros	2023	2022
Audit services	324	302
Other inspection services	1	3
Tax services	0	5
Other services	69	28
Audit fees total	394	338

Management of insider issues

Lamor has drawn up insider guidelines, the purpose of which is to create clear operating principles for, among other things, the management of insider information, the maintenance of insider lists, and the reporting of transactions by persons subject to reporting obligations.

Lamor’s insider guide complements the market abuse regulation (MAR) and other regulations, such as the criminal law and the securities market act, Nasdaq Helsinki Oy’s insider guide, Nasdaq Helsinki Oy’s rules for issuers of shares, Nasdaq Helsinki’s First North Bond Market rules and the Financial Supervisory Authority’s instructions on insider matters.

During the reporting period, Lamor’s CDO (from 20 December 2023 Chief Strategy Officer) has been responsible for Lamor’s insider guidelines and the general organisation and training of insider matters, the preparation and maintenance of project- and event-specific registers, and supervision. Lamor’s CFO has served as their deputy.



In connection with the issuance of Lamor’s green bond and the transfer to the official list of Nasdaq Helsinki, the company’s external audit scope and as well as certain corporate governance policies and procedures were updated.

Project-specific insiders

If necessary, Lamor maintains project- and event-specific insider lists.

The CEO, CFO and CDO (from 20 December 2023 Chief Strategy Officer), two (2) together, have decided to postpone the publication of insider information when the conditions according to the Market Abuse Regulation (MAR) are met. At the same time, a project- or event-specific insider list is established.

The project- or event-specific insider lists drawn up each time include the persons who receive insider information about a specific project or event.

Closed window

The managers defined by Lamor are subject to a closed period of 30 calendar days before the publication of interim reports, half-yearly reports, financial statements release and financial statements. The closed period ends at the end of the day following publication. The closed period also applies to persons who participate in the preparation of the reports in question. During this time, Lamor does not comment on its financial results, markets or market prospects, nor do they meet representatives of the capital markets or financial media. Transactions between Lamor and its management or those related to management.

Insider trading

Lamor has defined the Chairman of the Board of Directors and the possible Vice Chairman as well as other members and deputies of the Board, the CEO of the company and his possible deputy and the members of the company's Management Team, including the possible members of the Extended Management Team, as persons discharging managerial responsibilities and are required to report their transactions in accordance with the Market Abuse regulation (MAR).

Persons discharging managerial responsibilities and persons closely associated with them must notify Lamor and the Finnish Financial Supervisory Authority of transactions concerning Lamor's financial instruments. The notification shall be made without delay and no later than three (3) days after the date of execution of

the transaction. Only such transactions that exceed the annual limit of 5,000 euros must be reported to the Finnish Financial Supervisory Authority. However, all transactions must be reported to Lamor.

Lamor publishes notifications regarding the transactions of persons discharging managerial responsibilities and persons closely associated with them without delay and at the latest within two (2) working days of receiving the notification regarding the transaction.

Lamor maintains a list of persons discharging managerial responsibilities and persons closely associated with them in accordance with the Market Abuse regulation. The list is not public.

Transactions between Lamor and its management or those related to management.

According to the company's definition, the Group's close circle consists of Lamor's significant shareholders, the Board of Directors, the CEO and the rest of the company's Management Team and their family members, as well as the entities and associated and joint ventures controlled by them. In addition, the Group's related parties include associated and joint ventures in which the Group is the owner.

Lamor's financial organisation monitors related party transactions as part of the company's normal reporting and control practices. The Audit Committee must separately deal with a related party transaction that is

not part of the company's usual business or that is not based on market conditions. In addition, the Board must approve such a related party transaction.

The members of Lamor's Board of Directors, CEO, members of the Management Team and significant shareholders confirm annually whether they or their related parties as defined in the IAS 24 standard have had related party transactions during the past financial year.

The related party transactions of Lamor in 2023 are presented in the financial review as part of the published interim reports and financial statements. In addition, in connection with the company's remuneration report, any remuneration received by members of the company's Board of Directors or their related companies other than for Board work is reported annually.

Avoidance of conflicts of interests

The company's decision making processes and the charters of the Board Directors and its Committees include procedures to prevent and mitigate possible identified conflicts of interests.