

Charter of the Shareholders' Nomination Board of SkartaNYAB Plc

Purpose of the shareholders' nomination board

SkartaNYAB Plc's ("**Company**") Annual General Meeting 2022 has decided to establish a Shareholders' Nomination Board ("**Nomination Board**"). The Nomination Board is a body consisting of members appointed by the largest shareholders of the Company, and it has the responsibility of preparing proposals related to the members and remuneration of the Board of Directors of the Company to the Annual General Meeting and, if needed, to the Extraordinary General Meeting.

The responsibility of the Nomination Board is to ensure that the Board of Directors and its members have a sufficient level of expertise, knowledge and experience, and enough time to fulfill the tasks of a Board member. The Nomination Board shall comply with the legislation in force, other applicable regulations, as well as the articles of association of the Company. The Nomination Board has been established to operate until the general meeting of the Company otherwise decides.

This charter determines the rules and procedures relating to the composition and operations of the Nomination Board.

Composition and election of the nomination board

The Nomination Board consists of three members, of which three largest shareholders of the Company are each entitled to appoint one. The Chairman of the Board of Directors of the Company may, upon request of the Nomination Board, act as an expert member of the Nomination Board without membership or voting right.

Those three shareholders, whose share of all votes in the Company on the last business day in August preceding the Annual General Meeting is the largest, have the right to appoint members of the Nomination Board. The Chairman of the Board of the Company shall then request each of the three largest shareholders to appoint one member to the Nomination Board by the last day of September.

The number of shares that the shareholders own shall be validated from the shareholders' register held by Euroclear Finland Ltd. In addition, holders of nominee-registered shares may otherwise present a credible report of the number of shares held. The report shall be given to the Chairman of the Board of the Company within a week of the last business day in August.

In case a same person has control over several legal persons who are shareholders of the Company, or shareholdings of other persons would be taken into account when calculating ownership of an individual person according to the provisions of the Securities Markets Act that regard the obligation to notify major holdings, shall holdings of these persons and other persons be added up, subject to the shareholder presenting a written request of the matter to the Chairman of the Board of the Company by the last business day of August. A credible report that adding the shareholdings up is reasoned, shall be attached to the request.

In case two or more shareholders own an equal number of shares and votes, and members nominated by each of them cannot be appointed, shall the Board of Directors of the Company make the decision on whose representative shall be appointed by drawing lots.

In case a shareholder doesn't wish to exercise its right to appoint a member, the right shall be transferred to the next largest shareholder who would otherwise not have had that right.

A member proposed to be appointed to the Nomination Board shall, prior to receiving the duties, consider if there are conflicts of interest associated with the task.

A member appointed by a certain shareholder shall resign from the Nomination Board in case the holdings of the shareholder change during the term of the Nomination Board so that the shareholder is no longer among the ten largest shareholders of the Company, unless other members of the Nomination Board unanimously decide otherwise. In this case, the Nomination Board shall request an appointment of a member from such shareholders of the Company, who have not appointed a member to the Nomination Board, in the order of votes based on their shareholdings. The order of votes based on shareholding is determined based on the ownership information on the day of the appointment request.

A shareholder has the right to change the member they have appointed during the term by notifying the chairman of the Nomination Board.

The term of the members of the Nomination Board expires annually when the next nomination board has been appointed. The members of the Nomination Board shall not receive remuneration for the membership of the Nomination Board.

Responsibilities of the nomination board

The responsibilities of the Nomination Board are:

- to prepare and present to the general meeting a proposal on the number of the members of the Board of Directors
- to prepare and present to the general meeting a proposal on the members of the Board of Directors
- to prepare and present to the organization meeting of the Board of Directors a proposal on the Chairman and Vice Chairman of the Board of Directors
- to prepare and present to the general meeting a proposal on the remuneration of the members of the Board of Directors
- to prepare the principles concerning diversity of the Board of Directors
- to be responsible for the successor planning of the members of the Board of Directors

Decision-making

The Chairman of the Board of Directors shall convene the first meeting of each term of the Nomination Board, where the Nomination Board shall elect a chairman among its members as a majority decision. Hereafter, the Nomination Board shall be convened by its chairman. When the Nomination Board has organized, the Company shall publish the composition of the board as a release.

The nomination board shall constitute a quorum when half of its appointed members are present. No decision shall be made unless all members have been reserved the possibility to consider the matter and to participate in the meeting.

Decisions of the nomination board shall be made unanimously. Unless unanimity is reached, each member shall present their own proposals to the general meeting individually or together with other members of the Nomination Board.

Minutes shall be kept of all meetings of the Nomination Board. The minutes shall be dated, numbered and retained in a reliable manner. The minutes shall be signed by all members of the Nomination Board who have participated in the meeting.

Responsibilities of the chairman of the nomination board

The Chairman of the Nomination Board shall direct the activities of the Nomination Board in such way that the Nomination Board achieves its objectives effectively and takes the expectations of the shareholders and interest of the Company into account.

The Chairman of the Nomination Board convenes the meetings of the Nomination Board and prepares the agenda and material for the meetings. The Chairman convenes unscheduled meetings when necessary, or in any event if requested by a Nomination Board member, to be held within 14 days of the date of request.

Proposals to the general meeting

The nomination board shall present its proposals to the Board of Directors of the company at the latest on the last business day of January preceding the Annual General Meeting.

Each shareholder of the Company may, notwithstanding the above, also make their own proposals directly to the Annual General Meeting according to the Limited Liability Companies Act.

In case a decision on a matter that is prepared in the Nomination Board is made in an Extraordinary General Meeting, the Nomination Board shall present its proposals to the Board of Directors of the Company well in advance so that they can be included in the invitation to the meeting.

The proposals of the nomination board shall be announced by the Company and included in the invitation to the general meeting. The nomination board shall present and argue its proposals to the general meeting.

Composition of the board of directors

When preparing the proposal on the composition of the Board of Directors, the Nomination Board shall take into consideration the legislation in force from time to time, other applicable regulations as well as the independency and other requirements.

The Nomination Board, when preparing the proposal on the composition of the Board of Directors, has a right of receiving the results of the annual self-evaluation of the Board of Directors, information that is relevant in assessing the independence of the member candidates, as well as other reasonable information needed for the preparation of the proposal, for its use. The Nomination Board may also engage an external expert to seek and evaluate suitable candidates, subject to the respective costs being approved in advance by the Company.

The Board of Directors of the Company shall have sufficient expertise, knowledge of and experience in the company's field of business and industry. In particular, the Board of Directors as a whole shall have sufficient knowledge of and competence in:

- group and financial administration
- strategy and corporate arrangements
- internal control and risk management
- corporate governance

Confidentiality

The members of the Nomination Board and the shareholders they represent shall keep the information regarding the proposals to the general meeting confidential until the Company has published the final proposals of the Nomination Board. The confidentiality obligation also regards other confidential information

received in connection with the operations of the Nomination Board and is valid until the Company has published this information.

The chairman of the Nomination Board, or the Board of Directors of the Company, may, if judging it to be necessary, propose to the Board of Directors of the Company that the Company enters into non-disclosure agreements with a shareholder, or the representative appointed by the shareholder. Any insider information received by the members of the Nomination Board shall be subject to the provisions of the applicable insider regulation.

Amendments to the charter

The Nomination Board shall review this charter annually and propose potential amendments to the general meeting for adoption. The Nomination Board is authorized to make technical updates and changes to this charter if needed. However, changes relating to the number of the members, or the election process shall always be decided upon by the general meeting.

Language versions

This charter has been drafted in Finnish and in English. In the case of any discrepancies, the Finnish version shall prevail.