

Charter of the Shareholders' Nomination Board of Lassila & Tikanoja Plc

1. Background and purpose

The Shareholders' Nomination Board (the "Nomination Board") of Lassila & Tikanoja Plc is the Company's shareholders' body responsible for preparing and presenting proposals covering the remuneration and number of members of the Company's Board of Directors as well as proposal on the members and Chairman and Vice Chairman of the Board of Directors to Annual General Meeting and, where needed, to an Extraordinary General Meeting. The Nomination Board shall also be responsible for identifying successors for existing Board members.

Each shareholder of the Company can also make its own proposal directly to the General Meeting.

In its work, the Nomination Board shall comply with the legislation, Stock Exchange rules applicable to the Company and the Finnish Corporate Governance Code in force.

2. Election and composition of the Nomination Board

The Nomination Board shall consist of four (4) members, three (3) of which shall be appointed by the Company's three largest shareholders, who shall appoint one (1) member each. The Chairman of the Company's Board of Directors shall serve as the fourth member of the Nomination Board.

The Company's largest shareholders entitled to appoint members to the Nomination Board shall be determined annually on the basis of the registered holdings in the Company's shareholders' register held by Euroclear Finland Ltd as per the first weekday in September in the year concerned, or on the basis of shareholding information separately presented by nominee registered shareholders.

If a shareholder who has distributed its holdings e.g. into several funds and has an obligation under the Finnish Securities Markets Act to take these holdings into account when disclosing changes in its share of ownership makes a written request to such effect to the Chairman of the Company's Board of Directors and to the Company's General Counsel no later than on the weekday prior to the first weekday in September, such shareholder's holdings in several funds or registers will be combined when calculating the shares which determine the nomination right.

Should a holder of nominee registered shares wish to utilize its nomination right, such nominee registered shareholder shall present reliable evidence on the amount of its shareholding as per the first weekday in September. Such evidence shall be delivered to the Chairman of the Company's Board of Directors and to the Company's General Counsel on the fourth weekday in September at the latest.

If a group of shareholders have agreed on the appointment of a joint representative in the Nomination Board, their shareholdings will be combined when calculating the shareholdings that entitle to appoint a member in the Nomination Board. It is a prerequisite, however, that such shareholders present a joint request on the matter and a copy of the agreement between the shareholders to the Chairman of the Company's Board of Directors and to the Company's General Counsel on the weekday prior to the first weekday in September at the latest.

The Chairman of the Company's Board of Directors shall request each of the three largest shareholders established on this basis to appoint one member to the Nomination Board. In the event that a shareholder does not wish to exercise his/her or its right to appoint a member, it shall pass to the next-largest shareholder that would not otherwise be entitled to appoint a member. In case two shareholders have an equal number of shares and votes, and the representatives of both such shareholders cannot be appointed to the Nomination Board, the decision between them shall be made by drawing lots.

The Chairman of the Board of Directors shall convene the first meeting of the Nomination Board, which will be responsible for electing a chairman from among its members. The Nomination Board's chairman shall be responsible for convening subsequent meetings. When the Nomination Board has been elected, the Company will issue a release to this effect.

The members of the Nomination Board shall be elected annually and their term of office shall end when new members are elected to replace them.

The representative nominated by a shareholder is obliged to resign from the Nomination Board if the shareholder concerned later transfers more than half of the shares it held on the first weekday in September which entitled it to nominate a representative and as result is no longer among the Company's ten largest shareholders.

If a representative nominated by a shareholder resigns from the Nomination Board, the Nomination Board may decide to request for the nomination of a new member. Should the number of members of the Nomination Board decrease to less than three (including the Chairman of the Company's Board of Directors), the Nomination Board is obliged to request for such nomination. The request shall be presented to the largest shareholders who have not nominated a representative to the Nomination Board in question in the order of shareholdings. The order of shareholdings shall be determined on the basis of the ownership information in the Company's shareholders' register on the day of the request.

3. Decision-making

The Nomination Board shall constitute a quorum when at least three (3) of its 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. If unanimity cannot be reached, members of the Nomination Board shall present their own proposals to the General Meeting individually or jointly with other members of the Nomination Board.

All decisions of the Nomination Board shall be recorded in minutes. The minutes shall be dated, numbered and retained in a safe manner. The minutes shall be signed by the chairman of the Nomination Board together with at least one other member of the Nomination Board.

4. Qualifications of the Members of the Board of Directors

The Board of Directors of Lassila & Tikanoja Plc shall have sufficient expertise, know-how of and knowledge in the Company's field of business and industry. In particular, the Board of Directors as a whole shall have sufficient know-how of and competence in:

- a) the Company's business activities and industry;
- b) the management of a public limited company of corresponding size;
- c) group and financial management;
- d) strategy and corporate acquisitions and restructurings;
- e) internal control and risk management; and
- f) corporate governance.

The actions of the Board of Directors will be evaluated annually and the results of such evaluation will be disclosed to the Nomination Board. The results of the evaluation shall be taken appropriately into account in the work of the Nomination Board. The Nomination Board may also use external experts.

5. Tasks of the chairman of the Nomination Board

The overall task of the chairman of the Nomination Board is to lead the activities of the Nomination Board in such way that the Nomination Board achieves its objectives efficiently while observing the interests and expectations of the shareholders and Lassila & Tikanoja Plc.

The chairman of the Nomination Board shall convene the meetings, prepare the agenda and material for the meetings and chair the meetings of the Nomination Board.

In addition, the chairman of the Nomination Board shall convene an extraordinary meeting of the Nomination Board within 14 days from a request made by a member of the Nomination Board to that effect.

6. Proposals by the Nomination Board to the General Meeting

The Nomination Board shall submit its proposals to the Company's Board of Directors annually in time for them to be included in the notice of the meeting and in any case, at the latest, by 15th of January preceding the Annual General Meeting. Proposals intended for a possible Extraordinary General Meeting shall be submitted to the Company's Board of Directors in time for them to be included in the notice of the meeting.

7. Confidentiality

The members of the Nomination Board and shareholders they represent shall keep the information regarding the proposals confidential until the final decision has been made by the Nomination Board and published by Lassila & Tikanoja Plc.

The chairman of the Nomination Board may, when he/she considers it necessary, propose to the Board of Directors of the Company that the Company should enter into non-disclosure agreements with the representatives nominated by the shareholders.

8. Amendments to the charter and authorization

The Nomination Board shall review this charter annually and propose such changes as it considers necessary to the General Meeting for adoption.

The Nomination Board is authorized to make technical updates and amendments to this charter when necessary. Any changes concerning the number of members of the Nomination Board or their selection criteria shall always be decided by the General Meeting.