

CHARTER OF THE SHAREHOLDERS' NOMINATION BOARD OF KH GROUP PLC

1 Role and duties of the Nomination Board

The Annual General Meeting 2022 of KH Group Plc (the “**Company**”) has resolved to establish a Shareholders' Nomination Board (the “**Nomination Board**”), which is a body appointed by the Company's shareholders, responsible for preparing proposals concerning the number, election and remuneration of the members of the board of directors of the Company to the Company's annual general meeting and, if necessary, to the extraordinary general meeting.

The primary purpose of the Nomination Board is to ensure that the Company's board of directors and its members have sufficient expertise, knowledge and experience to meet the needs of the Company and that they have the opportunity to spend sufficient time to perform the duties of a Board member. The Nomination Board shall pay attention to achieving a good and balanced gender distribution and balance in the Board, assessing the Board's competence as a whole. In its work, the Nomination Board must take into account the Company's diversity principles.

The Nomination Board shall in its operations comply with the laws and other applicable regulations (including the rules of Nasdaq Helsinki Ltd and the Finnish Corporate Governance Code).

The Nomination Board has been established to operate until further notice, unless otherwise decided by the Company's annual general meeting.

This Charter contains the provisions on the composition, appointment of members and operation of the Nomination Board. [This updated Charter has been approved by the Company's 2026 Annual General Meeting.](#)

2 Composition of and appointment of the members of the Nomination Board

The Nomination Board shall consist of four (4) members.

One of the members is the chair of the board of directors of the Company or another member elected by the board of directors from among its members.

The other members of the Nomination Board will be nominated by the three (3) largest shareholders, each of whom has the right to nominate one (1) member. The Company's largest shareholders entitled to elect members to the Nomination Board shall be determined on the basis of the registered holdings in the Company's shareholders' register maintained by Euroclear Finland Oy on the last working day of August prior to the annual general meeting.

In addition, the following principles shall be followed in determining the shareholders entitled to appoint a member of the Nomination Board:

- (a) If a shareholder who according to the Finnish Securities Markets Act has the obligation to take into account also other entities'/persons' shareholding in the Company when notifying the Company of changes in ownership (flagging obligation), the holdings of such shareholder shall be calculated together with the holdings of such other entities'/persons, provided that such shareholder presents a written claim directed to the chair of the board of directors no later than the last working day of August. The claim shall be accompanied by a reliable account of the basis for the flagging obligation. If a shareholder according to the rules concerning flagging obligation should take into account the shareholdings of

another shareholder who otherwise also would have an independent right to nominate a member to the Nomination Board, the nomination right shall be held only by the shareholder whose combined ownership according to the rules concerning flagging obligation is the largest out of the entities in question.

- (b) If a holder of nominee-registered shares wishes to utilise its nomination right, the nominee-registered shareholder must submit a written request on the matter to the chair of the board of directors of the Company no later than the last working day of August. The request shall be accompanied by a reliable account on the number of shares and votes held by the holder of the nominee-registered shares.

If two or more shareholders have the same number of shares and all of the members nominated by such shareholders cannot be elected members of the Nomination Board, the right to nominate shall be determined by the drawing of lots among such shareholders by the chair of the board of directors of the Company.

The chair of the board of directors of the Company shall annually request each of the three (3) shareholders determined as described above eligible to appoint a representative to nominate one (1) member to the Nomination Board by the last day of September. In case a shareholder does not wish to use their right to nominate a member to the Nomination Board, the right will pass on to the next largest shareholder who otherwise would not have the nomination right.

Before accepting a position, a member nominated to the Nomination Board must carefully consider whether there are any conflicts of interest in relation to the position.

A member elected by the board of directors from among its members convenes the first meeting of the Nomination Board, at which the Nomination Board elects a chair from among its members by a majority decision. A member of the board of directors may not chair the Nomination Board.

If a shareholder that has nominated a member to the Nomination Board transfers its shares before the proposals of the Nomination Board have been disclosed so that such shareholder is no longer one of the ten largest shareholders of the Company, the member nominated by such shareholder shall resign from the Nomination Board with immediate effect. In such case, the Nomination Board shall request the next largest shareholder, based on the situation of the day of such request, who has not nominated a member to the Nomination Board, to nominate a new member.

A shareholder has the right for compelling reasons to change the appointed member during the term of office by notifying the chair of the Nomination Board.

The Company announces the composition of the Nomination Board and possible changes in its composition by a stock exchange release.

The term of the members of the Nomination Board ends annually after the new members of the Nomination Board have been appointed.

Members of the Nomination Board do not receive remuneration for their Nomination Board membership. Members' travel expenses are reimbursed in accordance with the Company's travel rules.

3 Decision-making

The first meeting of the Nomination Board for each term shall be convened by a member elected by the board of directors of the Company, and thereafter the meetings shall be convened by the chair of the Nomination Board.

The Nomination Board has a quorum when more than half of the members are present. The Nomination Board shall not make a decision unless all its members have been given the opportunity to examine the matter and participate in the proceedings.

The Nomination Board shall make its decisions unanimously. If unanimity is not reached, the Nomination Board shall notify the Company's board of directors thereof without delay.

Minutes shall be prepared of all decisions of the Nomination Board. The minutes shall be dated, numbered and archived in a reliable manner. All members of the Nomination Board who attended the Nomination Board meeting shall sign the minutes.

4 Duties of the Nomination Board

The duties of the Nomination Board are:

- to prepare and present a proposal for the general meeting concerning the number of members of the board of directors;
- to prepare and present a proposal for the general meeting concerning the composition of the board of directors;
- to prepare and present a proposal for the general meeting concerning remuneration of the members of the board of directors (including chair and vice chair of the board of directors) in accordance with the Company's remuneration policy;
- at the general meeting answer questions from shareholders about the proposals prepared by the Nomination Board; and
- responsibility for seeking prospective successor candidates for the members of the board of directors.

5 Duties of the chair

The duties of the chair of the Nomination Board are to direct the work of the Nomination Board so that the Nomination Board achieves its objectives effectively and takes into account the expectations of shareholders and the interests of the Company.

The chair of the Nomination Board:

- convenes the meetings of the Nomination Board and supervises that they are held on schedule;
- convenes additional meetings as required by the duties of the Nomination Board and always within 14 days of a request from a member of the Nomination Board; and
- prepares the agenda for the meetings and chairs the meetings.

6 Preparation of the proposal on the composition of the board of directors

6.1 General provisions on the preparation of the proposal

The Nomination Board prepares a proposal concerning the composition of the board of directors for the Company's annual general meeting and, if necessary, for an extraordinary general meeting. However, each shareholder of the Company may also submit their own proposal directly to the general meeting in accordance with the Finnish Companies Act.

The Nomination Board may consult the Company's shareholders in the preparation of the proposal and may also use external advisors to find and evaluate candidates. The Company shall bear the reasonable costs for using external advisors.

When the Nomination Board prepares a proposal concerning the composition of the new board of directors, the Nomination Board has the right to obtain the results of the annual evaluation of the board of directors' activities, information relevant to assessing the independence of the director candidates, and any other information that is reasonably necessary for the preparation of the proposal.

6.2 Competence of the members of the board of directors

The board of directors of the Company shall have sufficient expertise and, as a collective, sufficient competence and experience with respect to the field of operation and business of the Company. Each member of the board of directors shall be able to devote sufficient time to perform their duties.

In order to ensure sufficient expertise, the Nomination Board shall take into account the applicable legislation and other applicable regulation and, where applicable, the principles set out in the Finnish Corporate Governance Code.

The Board shall, as a collective, possess sufficient expertise and experience, in particular:

- concerning the line of business and the business of the Company;
- corporate and financial administration;
- strategy and M&A;
- internal audit and risk management; and
- corporate governance.

7 Proposals to the general meeting

The Nomination Board shall deliver to the Company's board of directors its proposals for the annual general meeting ~~by the last day of January preceding the~~ six (6) weeks before the next annual general meeting at the latest.

Should a matter whose preparation belongs to the duties of the Nomination Board be on the agenda of an extraordinary general meeting, the Nomination Board shall submit its proposals to the board of directors in sufficient time for inclusion in the notice to the general meeting.

The proposals of the Nomination Board shall be disclosed by a stock exchange release and included in the notice to the general meeting. The Nomination Board presents its proposals and their rationale to the annual general meeting.

If the Nomination Board has not submitted the proposals on matters to be prepared by the Nomination Board (or any one of them) to the board of directors by the above-mentioned deadlines, such missing proposals shall be prepared and presented to the general meeting by the board of directors.

8 Confidentiality

The members of the Nomination Board and the shareholders that have nominated them shall keep all information relating to the proposals to be presented to the general meeting confidential until the Nomination Board has resolved to approve the final proposals and the Company has disclosed the proposals. In addition, the members of the Nomination Board and the shareholders that have nominated them shall keep all other non-public information received in connection with performing the duties of the Nomination Board confidential until the Company has disclosed such information.

The chair of the Nomination Board or the chair of the board of directors may at his/her discretion propose to the board of directors of the Company that the Company signs separate confidentiality agreements with the shareholders and/or the members of the Nomination Board appointed by them. Applicable rules and regulations concerning market abuse shall be applied to any inside information that the members of the Nomination Board may receive.

9 Amendments to the Charter

The Nomination Board shall review the contents of this charter annually and, if necessary, propose to the general meeting decisions to amend this charter. The Nomination Board has been authorised to make technical updates and amendments to this charter. Material amendments, such as with respect to the number of Nomination Board members and the nomination process, shall always be subject to the resolution of the general meeting.

10 Language versions

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