



PROPOSALS TO LOIHDE PLC'S ANNUAL GENERAL MEETING ON 5 May, 2022

8. Resolution on the use of the profit shown on the balance sheet and the payment of dividend

The parent company's distributable funds amount to EUR 112,929,594.56 and the parent company's profit for the financial period is EUR 5,791,493.15. The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.14 per share be paid from distributable funds based on the company's operating profit. In addition to this, the Board of Directors proposes that an additional dividend of EUR 0.41 per share be paid based on capital gains from the divestment of Hibox. Based on the situation on the date of the notice, the dividend and additional dividend would correspond to EUR 3,261,012.70 in total. No dividend will be paid on the treasury shares held by the company. The dividend shall be paid to shareholders who on the dividend record date 9 May 2022 are registered in the company's shareholders' register held by Euroclear Finland Oy. The dividend shall be paid on 17 May 2022.

12. Resolution on the remuneration of the members and the Chairperson of the Board of Directors and the reimbursement of their travel expenses

The Shareholders' Nomination Board proposes the following remuneration of the members of the Board of Directors:

- The Chairperson of the Board of Directors shall be paid an annual fee of EUR 39,600 (EUR 36,000 in 2021) and a meeting fee of EUR 700 per meeting.
- Each member of the Board of Directors shall be paid an annual fee of EUR 16,500 (EUR 15,000 in 2021) and a meeting fee of EUR 600 per meeting.
- The meeting fee shall be EUR 700 per meeting for the Chairperson of a committee and EUR 600 per meeting for the members of a committee (no change).

The travel expenses of the members of the Board of Directors shall according to the proposal be reimbursed in accordance with the company's travel rules.

13. Resolution on the number of members of the Board of Directors

The Shareholders' Nomination Board proposes that five members shall be elected to the Board of Directors (six members in 2021).

14. Election of members and the Chairperson of the Board of Directors

The Nomination Board proposes that the following current members of the Board of Directors shall be re-elected: Kaj Hagros, Timo Kotilainen, Elina Piispanen, Matti Piri and Stefan Wikman. Of the current members of the Board of Directors, Jussi Hattula has declared that he is no longer available for re-election by the 2022 Annual General Meeting.

All the proposed members of the Board of Directors are independent of the company and its major shareholders and they have given their consent to the position.

In addition, the Shareholders' Nomination Board proposes to the General Meeting that Timo Kotilainen shall be elected Chairperson of the Board of Directors.

Further information about the persons proposed to become members of the Board of Directors can be found on the company's website www.loihde.com under *For shareholders*.

15. Resolution on the remuneration of the Auditor

The Board of Directors proposes to the Annual General Meeting that the remuneration to the Auditor be paid in accordance with the Auditor's invoice approved by the company.

16. Election of Auditor

The Board of Directors proposes to the Annual General Meeting that KPMG Oy Ab, authorised public accountants firm, be re-elected as the company's auditor for the financial period 2022. KPMG Oy Ab has informed the company that the auditor with principal responsibility would be Mr Esa Kailiala, auditor approved by the Finnish Central Chamber of Commerce.

17. Authorising the Board of Directors to decide on the issuance of shares

The Board of Directors proposes to the Annual General Meeting that the Annual General Meeting authorises the Board of Directors to decide on the issuance of shares in one or more tranches in accordance with following terms:

- The issuance of shares may be carried out by offering new shares or by transferring treasury shares held by the company (share issue).
- The Board of Directors is authorised to decide on issuing a maximum of 1,100,000 shares, which corresponds to 18 per cent of all the shares in Loihde Plc.
- Based on this authorisation, the Board of Directors may also decide on to whom and in which order shares are issued. The authorisation entitles the Board of Directors to issue the shares otherwise than in proportion to the shareholdings of the shareholders (directed share issue).
- The Board of Directors may use this authorisation in financing acquisitions or restructuring, a maximum of 900,000 shares (15% of all the shares in the company), as part of the personnel's incentive schemes, a maximum of 200,000 shares (3% of all the shares in the company), or for other purposes in the way and to the extent decided by the Board of Directors.
- The Board of Directors may decide on all other terms of the issuance of shares.
- The share issue authorisation with regard to shares used for acquisitions and restructuring is valid until the end of the next Annual General Meeting, but until 30 June 2023 at the latest, while the share issue authorisation with regard to shares related to incentive schemes for the company's personnel is valid for four years from the decision of the Annual General Meeting.
- The authorisation does not revoke the previous authorisations granted by the Annual General Meeting to the Board of Directors on 25 June 2020 and 9 May 2021 to the extent that the previous authorisations concern shares issued as part of the personnel incentive schemes. Of the authorisations in question, the first is valid until 25 June 2024 and based on the authorisation, the Board of Directors may still issue a maximum of 78,997 shares, and the second is valid until 6 May 2025 and based on the authorisation, the Board of Directors may still issue a maximum of 80,000 shares.

18. Changes to the terms of the long-term share-based incentive scheme for the Board of Directors and resolution on the persons entitled to participate in the 2022–2024 vesting period

The Annual General Meeting of Loihde Plc has on 25 June 2020 decided to approve and introduce a long-term share-based incentive scheme for the members of the company's Board of Directors (below "Scheme"). The purpose of the scheme is to align the goals of the shareholders and the Board of Directors in order to increase the value of the company and implement the business strategy in the long term as well as to commit the members of the Board of Directors to the company and offer them a competitive incentive scheme that is based on earning shares in the company and on the value development of those shares.

The Shareholders' Nomination Board proposes that the Annual General Meeting decides to change the terms of the Scheme due to the listing of the company and the changes in the company's corporate governance model and adopts the changed terms of the Scheme as presented in Appendix 1.

The Shareholders' Nomination Board proposes that the Annual General Meeting confirms that the third vesting period according to the terms of the Scheme is 6 May 2022–31 December 2024 and confirms that the following proposed members of the Board of Directors of Loihde Plc shall be entitled to participate in the vesting period: Kaj Hagros, Timo Kotilainen, Elina Piispanen, Matti Piri and Stefan Wikman.

19. Resolution on a directed share issue against payment related to the long-term share-based incentive scheme for the Board of Directors

The Shareholders' Nomination Board proposes to the Annual General Meeting that a directed share issue against payment to the Board of Directors of Loihde Plc shall be decided on based on the long-term share-based incentive scheme.

The proposed terms to be applied to the share issue and the proposed persons to be entitled to participate in the share issue and their maximum subscription rights are shown in Appendix 2 that consists of proposed terms of the share issue and in the separate list of subscription rights that is enclosed with the terms of the share issue.

Since the subscription price of the shares, according to the proposed terms of the share issue, is determined based on the average price of the company's share in April 2022, the final subscription price and the number of shares that each person that is entitled to subscribe for shares is entitled to subscribe for will be confirmed on the day of the General Meeting at the latest and will be announced on the company's website at www.loihde.com/agm and at the General Meeting.

20. Authorising the Board of Directors to decide on donations

The Board of Directors proposes that the General Meeting authorises the Board of Directors to decide on donations of at most EUR 100,000 in total to training and research activities that support the company's business or non-profit or comparable causes, and that the General Meeting authorises the Board of Directors to decide on the receivers, the purpose of use, the timetable and other terms of the donations. The Board of Directors finds the authorisation of donations reasonable considering the company's financial situation and the amount of unrestricted equity.