

## **CHARTER OF HERANTIS PHARMA PLC SHAREHOLDERS' NOMINATION COMMITTEE**

### **1 PURPOSE OF THE NOMINATION COMMITTEE**

Herantis Pharma Plc (hereinafter "the Company") Shareholders' Nomination Committee (hereinafter "the Nomination Committee") is a body of the Company's shareholders, responsible for preparing annually proposals to the Annual General Meeting, and when necessary for the Extraordinary General Meeting, for the election and remuneration of the members of the Board of Directors. The main purpose of the Nomination Committee is to ensure that the Board of Directors and its members maintain and represent a sufficient level of expertise, knowledge and competence for the needs of the Company.

In its work, the Nomination Committee shall comply with applicable laws and regulations.

This charter regulates the nomination and composition of the Nomination Committee as well as defines the tasks and duties of the Nomination Committee.

### **2 NOMINATION AND COMPOSITION OF THE NOMINATION COMMITTEE**

According to the proposal, the Nomination Committee consists of four members, of which three represent the Company's largest shareholders who, on the last business day of September preceding the next Annual General Meeting, hold the largest number of votes calculated of all shares in the Company. In addition the Chairman of the Board is a member of the Nomination Committee.

The largest shareholders of the Company on the last business day of September are determined on the basis of the shareholders' register of the Company held by Euroclear Finland Ltd and Euroclear Sweden AB. Pursuant to this shareholding, the Chairman of the Board of Directors shall request the three largest shareholders of the Company each to nominate one member to the Nomination Committee. Holders of nominee registered shares shall be taken into account in the appointment process to the extent possible. If a shareholder who has distributed his/her holdings for example into several funds and has an obligation under the Finnish Securities Markets Act to take these holdings into account when disclosing changes in share of ownership makes a written request to such effect to the Chairman of the Board of Directors no later than on the last business day of September, such shareholder's holdings in several funds or registers will be combined when calculating the share of votes which determines the nomination right.

Should a shareholder not wish to use its nomination right, the right may be transferred by the Chairman of the Board of Directors to the next largest shareholder who would otherwise not have a nomination right.

The Chairman of the Board of Directors convenes the first meeting of the Nomination Committee and acts as a Chairman of the Nomination Committee until the Nomination Committee has convened and elected a Chairman amongst its members. As a main rule, the representative of the largest shareholder shall be nominated as the Chairman of the Nomination Committee and in any case the Chairman of the Board of Directors cannot be elected as a Chairman of the Nomination Committee. The Chairman of the Nomination Committee convenes the meetings thereafter.

The composition of the Nomination Committee shall be published by the Company through a release once the members of the Nomination Committee have been appointed and the Chairman has been elected.

The term of office of the members of the Nomination Committee expires annually when the new Nomination Committee has been appointed. The members of the Nomination Committee are not remunerated for their membership in the Nomination Committee but reasonable expenses incurred in connection with the committee work are reimbursed.

If a shareholder who has appointed a member of the Nomination Committee during the year ceases to be one of the Company's three largest shareholders, the member appointed by such a shareholder shall resign from the Nomination Committee. Instead, a new shareholder among the three largest shareholders shall be entitled to elect a member of the nomination committee independently and at his discretion.

If a member of the Nomination Committee resigns for reasons other than set out item above, the shareholder who has appointed the member shall be entitled to independently and in its sole discretion appoint a replacement member. If the Chairman of the Board of Directors resigns from the board, his/her successor shall replace the Chairman of the Board of Directors also on the Nomination Committee.

### **3 DUTIES OF THE NOMINATION COMMITTEE**

The duties of the Nomination Committee shall include:

- a) to prepare and present to the Annual General Meeting a proposal on the number of the members of the Board of Directors;
- b) to prepare and present to the Annual General Meeting a proposal on the remuneration of the members of the Board of Directors for their work both at the Board of Directors and at the Board committees.;
- c) to prepare and present to the Annual General Meeting a proposal on the members of the Board of Directors;

and

- d) to present the charter of the Nomination Committee to the Annual General Meeting for approval, if changes to the charter of the Nomination Committee are proposed.

### **4 DECISION-MAKING**

The Nomination Committee shall constitute a quorum when more than half 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 Committee shall be made by a majority vote and the Chairman of the Nomination Committee shall have the casting vote in case the votes are divided equally.

All decisions of the Nomination Committee 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 Committee together with at least one member of the Nomination Committee.

## **5 TASKS OF THE CHAIRMAN OF THE NOMINATION COMMITTEE**

The Chairman of the Nomination Committee shall direct the activities of the Nomination Committee in order for the Nomination Committee to achieve its objectives efficiently and take duly into account the expectations of the shareholders and the interests of the Company.

The Chairman of the Nomination Committee shall:

- a) convene the meetings, prepare the agenda and material for the meetings and chair the meetings of the Nomination Committee;
- b) supervise that the scheduled meetings of the Nomination Committee are duly convened; and
- c) convene unscheduled meetings in case necessary and in any event, within 14 days from a request by a Nomination Committee member to that effect.

## **6 PREPARATION OF THE PROPOSAL ON THE BOARD COMPOSITION**

The Nomination Committee shall prepare a proposal to be presented to the Annual General Meeting on the composition of the Board of Directors. However, any shareholder of the Company may also make a proposal directly to the Annual General Meeting in accordance with the Finnish Companies' Act.

When preparing its proposal on the composition of the Board of Directors, the Nomination Committee shall take into consideration also the independence requirements of the members of the Board of Directors as well as the results of the annual performance assessment of the Board of Directors conducted according to the Corporate Governance Code. The members of the Board of Directors shall collectively exhibit diversity and breadth of qualifications, experience and background. The Nomination Committee shall further strive for equal gender distribution. The Nomination Committee may, at cost approved by the Company, also employ the services of an external expert in order to identify and evaluate suitable candidates.

## **7 MEETINGS**

The Chairman of the Committee, in consultation with the Committee members, determines the schedule and frequency of the Committee meetings. The Committee convenes as often as necessary, but at least once (1) a calendar year before the AGM, to duly discharge its duties. If necessary, the Committee may hold additional meetings.

The Committee's meetings shall be recorded in the minutes by a secretary appointed by the meeting. The Committee's minutes shall be sent to the secretary of the Board of Directors for advance inspection before signing to ascertain that they have been prepared in a uniform minute method. The minutes shall be signed by the Chairman of the meeting and a Committee member appointed to sign the minutes.

## **8 PROPOSALS TO THE ANNUAL GENERAL MEETING**

The Nomination Committee shall submit its proposals to the Board of Directors well in advance before the Board of Directors resolves to convene the Annual General Meeting. The proposals of the Nomination Committee will be published through a release and included in the notice to the Annual General Meeting. The Nomination Committee shall also present and explain its proposals and report on its activities to the Annual General Meeting.

## **9 COMMITTEE COSTS**

To be able to duly discharge its duties, the Committee may have some operating expenses, such as travelling costs and costs related to external advisory services.

Travel expenses will be compensated according to the Company's Travel Guidelines as approved yearly by AGM.

The Chairman of the Committee shall keep the Chairman of the Board pre-informed about all material expenses.

## **10 REPORTING TO THE BOARD**

The Chairman of the Committee has the responsibility to lead the Committee's work and to ensure that the Committee attends to the duties that fall within its authority.

The Committee reports on its work to the Board at the next Board meeting following the Committee meeting. Reports shall consist at least of the minutes of the Committee meeting, including appendices, detailing the matters discussed and measures taken by the Committee. Insofar as a report is discussed by the Board in accordance with the agenda of the Board meeting, the Chairman of the Nomination Committee presents it to the extent deemed necessary.

## **11 CONFIDENTIALITY**

The members of the Nomination Committee and the shareholders they represent shall keep the information regarding the proposals to the Annual General Meeting confidential until it has made the final proposals and said proposals have been published by the Company.

The obligation of confidentiality of the Nomination Committee members and of the shareholders represented by them covers also other confidential information received in connection with the work of the Nomination Committee and remains in force with respect to each piece of information until the Company has published it.

The Chairman of the Nomination Committee may, when he/she considers it necessary, propose to the Board of Directors of the Company that the Company should enter into separate non-disclosure agreements with the shareholders or their representatives in the Nomination Committee.

**12 AMENDING THE CHARTER AND ABOLISHMENT OF THE NOMINATION COMMITTEE**

The Nomination Committee shall review this charter annually and propose possible changes for example in the number of the Nomination Committee members or in their election process to the next Annual General Meeting for adoption. The Charter of the Nomination Committee shall only be presented to the Annual General Meeting for approval if the Nomination Committee proposes changes to the Charter. The Nomination Committee is authorized to make technical updates and amendments to the Charter.

The Nomination Committee has been established for an indefinite period. Both the Board of Directors and the Nomination Committee may make a proposal to the General Meeting for the abolishment of the Nomination Committee. The General Meeting shall decide on the abolishment of the Nomination Committee.

**13 LANGUAGE OF THE CHARTER**

This charter has been prepared in Finnish and English. In the event of any discrepancies, the Finnish version shall be decisive.