PIHLAJALINNA PLC'S ANNUAL GENERAL MEETING 2020

Time:	15 April 2020 at 10:30
Place:	H. Liljeroos Oy meeting room Villa Vintti 1, Kehräsaari A, 3rd fl., 33200 Tampere.
Attendees:	The shareholders attending are listed in the list of votes attached to the minutes under 5 §.

The meeting was also attended by the Chairman of the Company's Board of Directors, the CEO and the Chief Legal Officer as well as technical staff and meeting functionaries.

1 §
Opening the meeting

Mikko Wirén, Chairman of the Board of Directors, opened the meeting and welcomed the shareholders.

2 §
Calling the meeting to order

Lawyer Ari Keinänen was elected the Chairman of the Annual General Meeting and he stated that he will take the minutes of the meeting. The Chairman explained matters related to calling the meeting to order.

The meeting is organised under exceptional circumstances and the arrangements for the meeting are in line with the recommendations of the Advisory Board of Finnish Listed Companies pertaining to minimising the number of meeting participants and using a condensed meeting schedule to minimise the risk of infection. The shareholders' legal rights of participation, speech, voting and presenting questions are not restricted

It was noted that Nordea Bank Oyj and Skandinaviska Enskilda Banken AB (publ), Helsinki branch have sent voting instructions for nominee-registered shareholders to the Company, which contain information on abstaining from voting on matters discussed in the Annual General Meeting, blank voting, opposition or defence, but according to which voting is not required if it can be established based on the pre-delivered voting instructions and the opinions expressed at the meeting, that the majority of the votes and the shares represented at the meeting required in the item at hand support a proposal made to the General Meeting.

The Chairman established that the voting instructions do not contain an amount of opposition concerning any item that they would as such prevent decision-making. The notifications were attached to the minutes, and it was established that they would not be handled separately by item unless there is a specific reason for doing so.

<u>Appendix 1.</u>

An advance voting option was offered to shareholders wishing to vote on the items on the agenda of the AGM. A summary of the advance votes was presented and attached to the minutes:

<u>Appendix 2.</u>

3 §
Election of persons to scrutinise the minutes and supervise the counting of votes

Marko Savolainen was elected as the scrutiniser of the minutes and supervisor of the counting of votes.

4 §
Recording the legality of the meeting

It was established that the Notice of the Annual General Meeting was published on 13 March 2020 and an Amendment to the Notice of the Annual General Meeting concerning advance voting was published on 17 March 2020, and that both notices were issued in the form of a stock exchange release and published on the Company's website more than three weeks before the AGM. It was further established that the Company had issued practical guidance due to the coronavirus epidemic and announced a change in the venue of the AGM in a stock exchange release published on 3 April 2020. The notice of the meeting was attached to the minutes:

Appendix 3.

It was established that the notice of the meeting had been published in accordance with the Articles of Association and the Limited Liability Companies Act and that the Annual General Meeting was legally convened and constituted a quorum.

5 §
Recording the attendance at the meeting and adoption of the list of votes

The list of participants and votes was confirmed and attached to the minutes:

Appendix 4.

6 §
Presentation of the financial statements for 2019 and the consolidated financial statements, report of the Board of Directors and auditor's report included therein

It was established that the Company's financial statements for 2019 had been available to the shareholders since 19 March 2020 on the Company's website.

CEO Joni Aaltonen presented an overview of the Company's activities and financial statements of the financial year 2019:

Appendix 5.

The auditor's report for the financial year 2019 was presented. The auditor's report was attached to the minutes:

Appendix 6.

It was established that the financial statements for 2019 and the consolidated financial statements, report of the Board of Directors and auditor's report had been presented to the AGM.

7 §
Confirmation of the financial statements and the consolidated financial statements

It was decided that the financial statements and consolidated financial statements for the financial year of 2019 would be confirmed in the form proposed by the Board of Directors.

8 §
Deciding on the use of the profit shown on the balance sheet and payment of dividends

It was resolved, in accordance with the Board of Directors' proposal, that no dividend be paid for the financial year that ended on 31 December 2019.

9 §
Deciding on the discharge of the members of the Board of Directors and the CEOs from liability

It was decided that the members of the Board of Directors and the CEO would be granted discharge for the financial year 2019.

10 §
Discussion of the Remuneration Policy

It was established that the Remuneration Policy had been available to the shareholders on the Company's website since 19 March 2020.

It was decided that the Remuneration Policy would be approved as presented.

11 §
Deciding on the remuneration of the Board of Directors

The Chairman of the Board of Directors presented the work of the Shareholders' Nomination Board and repeated the proposals of the Nomination Board to the meeting.

The proposals of the Shareholders' Nomination Board concerning the remuneration of the Board of Directors, which was also presented in the notice of the meeting, was presented to the AGM.

It was decided in accordance with the proposal that the remuneration of the Board of Directors be kept unchanged and that the following annual remuneration be paid to the members of the Board of Directors to be elected at the General Meeting for the term of office ending at the close of the Annual General Meeting 2021: to the full-time Chairman of the Board of Directors EUR 250,000 per year, to the Vice-Chairman EUR 36,000 per year, and to the other members of the Board of Directors EUR 24,000 per year. Each Board member shall be paid a meeting fee of EUR 500 for each Board and Committee meeting. Reasonable travel expenses will also be reimbursed to the members of the Board in accordance with the Company's travel policy.

12 §
Deciding on the number of members of the Board of Directors

It was established that according to the Company’s Articles of Association, there are a minimum of three (3) and a maximum of ten (10) members on the Board of Directors.

It was established that the Shareholders’ Nomination Board proposes to the AGM that the number of the members of the Board of Directors be confirmed as seven (7). This is also mentioned in the notice of the General Meeting.

In accordance with the proposal of the nomination Board, it was decided that the number of the members of the Board of Directors be confirmed as seven (7).

13 §
Electing members of the Board of Directors

The proposal of the Shareholders’ Nomination Board, which was included in the notice of the General Meeting, was presented to the AGM. According to the proposal, all of the current members of the Board of Directors would be re-elected for a new term and the AGM would elect Mikko Wirén as the Chairman of the Board of Directors and Leena Niemistö as the Vice Chairman.

In accordance with the proposal of the Shareholders’ Nomination Board, it was decided that Leena Niemistö, Kati Sulin, Seija Turunen, Mikko Wirén, Mika Manninen, Hannu Juvonen and Matti Jaakola would be elected as members of the Board of Directors and that Mikko Wirén would be elected as the Chairman of the Board and Leena Niemistö as the Vice Chairman.

14 §
Deciding on the remuneration of the auditor

It was established that on the recommendation of the Audit Committee, the Board of Directors proposes to the AGM that the auditor be remunerated according to the invoice approved by the Board’s Audit Committee.

In accordance with the proposal, it was decided that the auditor be remunerated according to the invoice approved by the Board’s Audit Committee.

15 §
Electing an auditor

It was established that on the recommendation of the Audit Committee, the Board of Directors proposes to the AGM that KPMG Oy Ab, authorised public accountants, be re-elected as the Company’s auditor for the financial year 1 January–31 December 2020, with Lotta Nurminen, authorised public accountant, as the principal auditor.

In accordance with the proposal, it was decided that KPMG Oy Ab would be elected as the Company’s auditor for the financial year 1 January–31 December 2020. It was established that KPMG Oy Ab has appointed Lotta Nurminen, authorised public accountant, as the principal auditor.

16 §
Authorising the Board to decide on purchasing the Company's own shares

It was established that the Board's proposal concerning authorising the Board of Directors to decide on purchasing the Company's own shares was included in the notice of the meeting and had been available to the shareholders on the Company's website for three weeks prior to the meeting. The proposal of the Board of Directors was presented and attached to the minutes:

Appendix 7.

The meeting decided to accept the proposal of the Board of Directors and authorise the Board of Directors to decide on purchasing the Company's own shares in accordance with the proposal. The authorisation will remain in force until the end of the next AGM, though not beyond 30 June 2021. The authorisation revokes the authorisation given by the AGM on 4 April 2019.

17 §
Authorising the Board of Directors to decide on the issuance of shares and other special rights entitling to shares

It was established that the Board's proposal concerning authorising the Board of Directors to decide on the issuance of shares and other special rights entitling to shares was included in the notice of the meeting and had been available to the shareholders on the Company's website for three weeks prior to the meeting. The proposal of the Board of Directors was presented and attached to the minutes:

Appendix 8.

The meeting decided to accept the proposal of the Board of Directors and authorise the Board of Directors to decide on the issuance of shares and other special rights entitling to shares in accordance with the proposal. The authorisation will remain in force until the end of the next Annual General Meeting, however, no longer than until 30 June 2021. The authorisation revokes the authorisation given by the AGM on 4 April 2019.

18 §
Closing the meeting

It was established that the items listed in the notice of the meeting had been discussed and that the meeting could be ended. The minutes of the Annual General Meeting will be available to the shareholders no later than two weeks after the meeting on the Company's website.

The Chairman announced that the Annual General Meeting had ended.

Signed:

Ari Keinänen
Chairman

Scrutinised and approved:

Marko Savolainen