

## TALENOM PLC'S 2022 OPTION RIGHTS

The Annual General Meeting of Talenom Plc (the **Company**), held on 3 March 2022, authorised the Board of Directors to resolve on issuing option rights. On 21 March 2022, the Company's Board of Directors (the **Board**) resolved on issuing option rights to the key employees of the Company and its subsidiaries (the **Group**) subject to the following conditions:

### I TERMS AND CONDITIONS OF OPTION RIGHTS

#### 1. Number of option rights

A total of up to 500,000 option rights will be issued, and the option rights will entitle their holders to subscribe to a total of up to 500,000 new shares or shares held by the Company (**shares**). The Board will decide whether to grant new shares or shares held by the Company.

#### 2. Option rights

The option rights will be identified as 2022.

#### 3. Directed issue of option rights

The option rights will be granted to the Group's key employees free of charge and in derogation from the pre-emptive subscription right. There is a weighty financial reason from the company's point of view to issue the options because the options are intended to form part of the incentive and commitment plan for the Group's key employees. Option rights encourage key employees to long-term work in order to increase shareholder value. The goal of the option rights is also to commit key employees to the employer.

#### 4. Distribution of option rights

The Board will resolve on the distribution of option rights to the key employees employed or recruited by Group companies. The Board may resolve on special additional conditions for receiving option rights. The Board will resolve on the redistribution of option rights returned to the Company at a later date.

The Board will provide the recipients of option rights with a written notice of the offering of option rights. Option rights will be granted when the recipient has accepted the Board's offer. The Board will resolve on the distribution of the 2022 option rights on 30 June 2023 at the latest.

Option rights are a discretionary, one-off part of the incentive scheme. Option rights are not a part of the recipient's employment or service contract, and they are not considered to be salaries or fringe benefits. Recipients of option rights are not entitled to any compensation for the option rights on any grounds during or after their employment or service relationships.

Recipients of option rights are liable for all taxes and tax-like levies related to receiving or exercising option rights.

If necessary, the company will pay the asset transfer tax related to the option rights or the shares received based on option rights. The asset transfer tax paid by the company may be taxable income for the holder of the option rights.

#### 5. Transfer of option rights

The Company will retain the option rights on the holder's behalf until the share subscription period begins. The option rights can be transferred and pledged freely once the share subscription period has begun. However, the Board may grant permission to transfer or pledge option rights before this. The holders of option rights are obliged to notify the company in writing without delay if they transfer or pledge their option rights.

#### 6. End of the employment or service relationship before the share subscription period

If an option right holder's employment or service relationship with a Group company ends, the person will immediately forfeit the option rights distributed to the Company or to the person by the Company without charge if the share subscription period referred to in section II.2. had not begun when the employment or service relationship ended. By way of derogation from the foregoing, the Board may decide that a holder of option rights may keep some or all of their option rights.

If an option right holder's employment or service relationship with a Group company ends due to permanent incapacitation or death of the option right holder or retirement of the person on a statutory pension or a pension in accordance with the employment or service relationship or retirement on a

different type of pension specified by the company, the Board will resolve on whether the holder of the option rights or their death estate or beneficiary is entitled to keep the option rights distributed to the option right holder. A similar process will be followed if the rights and obligations relating to the employment or service relationship of an option right holder are transferred to a new owner or holder in conjunction with the sale of the employer or if the option right holder's employment or service relationship with a Group company ends due to a corporate transaction.

In these terms and conditions, the end of the employment or service relationship is taken to mean the final day of validity of the option right holder's employment or service contract.

## **7. Adding the option rights to the book-entry system**

The Board may resolve on whether to add the 2022 option rights to the book-entry system. If the option rights are added to the book-entry system, the Company will be entitled to apply for and obtain all lost option rights from the securities account of the option right holder, to be transferred to the designated securities account without the option right holder's consent.

The Company has the additional right to enter transfer restrictions applying to the option right and other corresponding restrictions in the securities account of the option right holder without the holder's consent. Holders of option rights are not entitled to any compensation for the loss of option rights based on these terms and conditions on any grounds during or after their employment or service relationships.

## **II TERMS AND CONDITIONS OF SHARE SUBSCRIPTIONS**

### **1. Right to subscribe for shares**

Each option right entitles its holder to subscribe for one (1) new share in the Company or a share held by the Company. The subscription price for shares will be recognised in the Company's reserve for invested unrestricted equity.

### **2. Share subscription and payment**

The subscription period for shares subscribed using the 2022 option rights is 1 March 2025–28 February 2026. If the final day of the subscription period is not a banking day, share subscriptions may be made on the banking day after the final day of the subscription period.

Share subscriptions will take place at the Company's headquarters or in a different location and by a different means if such are announced at a later date. The subscription price of the shares must be paid into the Company's designated bank account upon subscription. The Board will resolve on all measures related to share subscriptions.

### **3. Share subscription price**

The subscription price of shares to be subscribed using option rights will be determined on the basis of the average price of the Company's shares weighted by trading volumes on the issue date of the options.

The subscription price of shares subscribed using option rights may decrease under certain circumstances, as described in section 7. However, the minimum share subscription price is EUR 0.01. The subscription price for shares will be recognised in the Company's reserve for invested unrestricted equity.

### **4. Share entry**

The subscribed and fully paid-up shares will be entered into the subscriber's book-entry account.

### **5. Shareholder's rights**

The rights of new shares to a dividend and other shareholder rights will begin on the day when the shares are entered into the Trade Register.

If a share subscriber is granted shares in the Company's possession, the subscriber will receive the right to a dividend and the other shareholder rights when the shares have been entered into their book-entry account.

### **6. Share issues, option rights and other special rights entitling holders to shares prior to the share subscription**

If the Company decides, prior to the share subscription, to issue shares or new option rights or other special rights entitling to shares so that shareholders have subscription rights, the holders of option rights

#15520409v2

will have the same or equal right as the shareholders. Equality will be ensured in the manner resolved by the Board by adjusting the number of shares that can be subscribed, the subscription prices or both.

## **7. Rights in certain circumstances**

### **7.1 Distribution of assets**

If the Company pays a dividend or refunds capital from the unrestricted equity fund, the subscription price of the shares subscribed using option rights shall be reduced by the decision of the Board as of 21 March 2022 and with the amount of the dividend per share decided before the share subscription and capital to be distributed from the unrestricted equity fund on the record date of each dividend distribution or capital distribution.

If the Company reduces its share capital by distributing share capital to the shareholders, the subscription price of shares subscribed using option rights will be reduced by a decision of the Board as of 21 March 2022 and with the amount of share capital distributed per share decided upon before the share subscription on the record date of the refund of share capital.

### **7.2 Deregistration or liquidation of the Company**

If the Company is placed into liquidation before the share subscription, the holders of option rights will be reserved the opportunity to exercise their share subscription rights on the date specified by the Board. If the Company is deregistered before the share subscription, the holders of option rights will have the same or equal rights as shareholders.

### **7.3 Merger, demerger or transfer of domicile of the Company**

If the Company decides to merge into another company or a new company created as the result of a combination merger or decides to demerge in full, the holders of option rights will be granted the right to subscribe for shares on the date specified by the Board before the implementation of the merger or demerger is registered. Alternatively, the Board may grant holders of option rights the right to exchange their option rights for option rights issued by the other company in the manner specified in the merger or demerger plan or otherwise specified by the Board or the right to sell the option rights before the implementation of the merger or demerger is registered. Thereafter, there will no longer be a right of exchange or share subscription. The same procedure applies to cross-border mergers or demergers or if the Company becomes a *societas Europaea* or otherwise transfers its domicile from Finland to another Member State in the European Economic Area. The Board will resolve on the impact on option rights of any partial demergers. In the foregoing circumstances, the holders of option rights will not be entitled to demand that the Company redeem the option rights from them at fair value.

### **7.4 Acquisition or redemption of the Company's own shares and acquisition of option rights and other special rights entitling to shares**

The acquisition or redemption of the Company's own shares or option rights or the acquisition of other special rights entitling to shares will not affect the rights of holders of option rights. However, if the Company resolves to acquire or redeem its own shares from all shareholders, an equal offer must also be made to the holders of option rights.

### **7.5 Redemption right and obligation**

If any of the shareholders has a redemption right and obligation to all of the Company's shares as referred to in chapter 18, section 1 of the Limited Liability Companies Act, and the right arises before the share subscription date on the basis that the shareholder owns more than 90 per cent of the Company's shares and the votes conferred by the shares, the holders of option rights will be reserved the opportunity to exercise their subscription rights on the date specified by the Board or the holders of option rights will have an equivalent obligation to shareholders insofar as they must transfer their option rights to the redeeming party, even if the right of transfer referred to in section 1.5 herein has not begun.

## **III OTHER MATTERS**

Finnish law will apply to these terms and conditions. Disputes concerning option rights will be conclusively settled by arbitration in accordance with the Arbitration Rules of the Finland Chamber of Commerce. The seat of arbitration will be Helsinki, and the number of arbitrators will be one. The language of arbitration will be Finnish or English.

The Board may resolve on technical amendments to these terms and conditions due to the entry of the option rights into the book-entry system and other amendments to and revisions of these terms and conditions which are not considered material changes. The Board will resolve on other matters related to option rights, and the Board may issue binding orders to holders of option rights.

#15520409v2

The Company is entitled to take away option rights that holders have not transferred or have not used to subscribe for shares from the holders of said rights without compensation if the holder of the option rights violates these terms and conditions or the orders issued by the Company based on these terms and conditions or applicable law or official regulations.

The Company may keep a list of holders of option rights, and the list will contain personal data about the holders of option rights. The Company may deliver notices related to option right to the holders of option rights by email.

These terms and conditions of option rights have been prepared in Finnish and translated into English. If there are any differences between the Finnish and English versions, the Finnish version will take precedence.

#15520409v2

