



ESL Shipping

ESL Shipping Group

Shareholders' Nomination Board Charter

1. Introduction

The Shareholders' Nomination Board (the "Board") of ESL Shipping Group Plc (the "Company") is a body established by the shareholders. Its purpose is to prepare proposals for the Annual General Meeting and, where necessary, Extraordinary General Meeting, regarding the election and remuneration of members of the Board of Directors.

The Board's primary duty is to ensure that the Board of Directors and its members possess sufficient expertise and experience corresponding to the Company's needs, and to prepare well-founded proposals for the Annual General Meeting and, where necessary, Extraordinary General Meeting, concerning the election and remuneration of members of the Board of Directors.

2. Appointment and Composition of the Board

The Board consists of four (4) members. The members are appointed by four shareholders who, as of 31 May, represent the largest number of votes attached to all shares in the Company and who wish to participate in the nomination process. The Chair of the Board of Directors acts as an expert to the Board.

Each year, the Chair of the Board of Directors shall request the four largest shareholders, determined as of 31 May, to each appoint one member to the Board. The right to appoint a member lies with the four shareholders holding the largest proportion of voting rights in the Company as of 31 May of the calendar year preceding the Annual General Meeting. If a shareholder declines to exercise this right, it passes to the next largest shareholder.

The largest shareholders of the Company are determined on the basis of ownership registrations in the book-entry system. If two shareholders hold an equal number of shares and votes and both cannot be appointed, the matter shall be resolved by drawing lots.

However, if a shareholder who has an obligation under the Securities Markets Act to notify of certain changes in ownership (flagging notification) submits a written request to the Chair of the Board of Directors no later than 30 May of the year preceding the Annual General Meeting, the dispersed holdings of such shareholder, held for example through subsidiaries or registered in several funds or registers, shall be aggregated when calculating the shareholder's voting share.

The term of the Board ends when a new Board has been appointed.

If a shareholder transfers more than half of its shareholding and no longer ranks among the ten largest shareholders, the member appointed by such shareholder shall resign. A

member shall also recuse themselves or resign if a conflict of interest arises. The Board may appoint a new member to fill a vacancy before the end of the term. The Board may, at its discretion, offer the vacant seat to another shareholder of the Company. The Board must appoint new members if its membership falls below three (3) during its term.

3. Decision Making

The Board constitutes a quorum when more than half of its members are present. The Board may not make decisions unless all members have been given the opportunity to participate in the consideration of the matter and in the meeting which may be held using remote means.

Decisions of the Board shall be unanimous. If unanimity cannot be reached, members shall present their own proposals to the Annual General Meeting, individually or jointly with other members.

Minutes shall be kept of all Board decisions. The minutes shall be dated, numbered, and retained in a reliable manner. At a minimum, the Chair of the Board shall sign the minutes.

4. Duties of the Board

The duties of the Board include:

- Preparing proposals for the Annual General Meeting and, where necessary, for an Extraordinary General Meeting, concerning the remuneration of members of the Board of Directors
- Preparing proposals for the Annual General Meeting and, where necessary, for an Extraordinary General Meeting, concerning the number of members of the Board of Directors
- Preparing proposals for the Annual General Meeting and, where necessary, for an Extraordinary General Meeting, election of members of the Board of Directors
- Searching for successor candidates for members of the Board of Directors
- Presenting the remuneration proposal to the Annual General Meeting and, where necessary, to an Extraordinary General Meeting
- Presenting the proposal on the number of members of the Board of Directors to the Annual General Meeting and, where necessary, to an Extraordinary General Meeting
- Presenting the proposal on the election of members of the Board of Directors to the Annual General Meeting and, where necessary, to an Extraordinary General Meeting
- Responding at the Annual General Meeting, and where necessary, at an Extraordinary General Meeting to shareholders' questions relating to the Board's duties

4.1 General Principles for preparations of the proposals

The Board prepares a proposal for the composition of the Board of Directors to the Annual General Meeting and, where necessary, to an Extraordinary General Meeting. Each shareholder retains the right to submit their own proposal directly to the Annual General Meeting and, where necessary, to an Extraordinary General Meeting.

The performance of the Board of Directors is evaluated annually, and the results are made available to the Board when it prepares its proposal for the Annual General Meeting. These results shall be duly taken into account in the Board's work. The Board may consult other shareholders and may also use external advisers in identifying candidates

4.2 Qualifications of Members of the Board of Directors

The Board of Directors shall have sufficient expertise, and as a whole shall possess adequate competence and experience relevant to the Company's industry and business.

To ensure sufficient expertise, the Board shall take into account applicable legislation and the recommendations of the Finnish Corporate Governance Code.

The Board of Directors shall collectively have sufficient competence and qualifications, particularly in relation to:

- The Company's industry and business operations
- Management of a publicly listed company of comparable size
- Accounting
- Risk management
- Mergers and acquisitions and divestments
- Corporate governance

In addition, the Board shall consider the independence requirements set out in the Finnish Corporate Governance Code and the applicable stock exchange rules concerning the Company.

5. Duties of the Chair

The Board shall elect a Chair from among its members. The Chair shall ensure that the Board's work is conducted efficiently and that it fulfils its objectives, taking into account the expectations of shareholders and the best interests of the Company.

The Chair shall:

- convene meetings of the Board and chair such meetings; and

- ensure that meetings are held as scheduled and, when necessary, convene additional meetings at their discretion or within 14 days of a request by a Board member

6. Proposals for the General Meeting

The Board shall present and provide reasons for its proposals to the General Meeting.

The proposals shall be included in the notice to convene the General Meeting. The Board shall submit its proposals for the Annual General Meeting to the Board of Directors no later than 1 February prior to the Annual General Meeting.

The Board shall also report to the Annual General Meeting on its work. This information shall be published on the Company's website.

7. Confidentiality

The members of the Board and the shareholders they represent shall keep all information relating to the Board's proposals confidential until such proposals have been finalized by the Board and disclosed by the Company. The Chair of the Board may decide whether the Company shall enter into confidentiality agreements with shareholders or their representatives.

8. Amendments to the Charter and Authorization

The Board shall review this Charter annually and may propose amendments to the Annual General Meeting. Any material changes relating to the number of members or the principles for their appointment shall be resolved by the General Meeting. The Board is authorized to make technical updates and amendments to this Charter.