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# Notice to the Annual General Meeting of Ponsse

Notice is given to the shareholders of Ponsse Plc ("Ponsse") to the Annual General Meeting held on Thursday 7 April 2022 at 9.00 a.m. EEST.

The AGM will be held under extraordinary meeting procedures without shareholders' or their proxy representatives' presence at Ponsentie 22, 74200 Vieremä.

The Board of Directors of the company has resolved on exceptional meeting procedures based on the so-called temporary act (375/2021). To prevent the spread of the corona pandemic, it is not possible to attend the meeting at site.

The company's shareholders may participate in the Annual General Meeting and exercise their shareholder rights only by voting in advance and by presenting counterproposals or questions in advance. Instructions for shareholders are provided in section C. "Instructions for the participants in the Annual General Meeting".

The company's Board of Directors, the CEO, Management Team, the auditor and persons nominated as members of the Board will not participate in the Annual General Meeting and they will not give any addresses. Furthermore, no webcast to the Annual General Meeting will be provided.

The company organizes a separate virtual event for those shareholders, who have registered and/or voted in advance, at noon on 7 April 2022 after the Annual General Meeting. The virtual event includes a greeting from the Chairman of the Board and a presentation by the CEO. The participants of the virtual event will also have the possibility to ask questions from the management of the company. These questions are not questions referred to in Chapter 5, Section 25 of the Limited Liability Companies Act, but such questions to the Annual General Meeting need to be asked in advance as further described below. More information on the possibility to participate in the virtual event will be found on at the company's website under "Annual General Meeting".

## A. Matters on the agenda of the Annual General Meeting

### 1. Opening of the meeting

### 2. Calling the meeting to order

Jari Kääriäinen, Attorney-at-Law will act as Chairman of the Annual General Meeting. Should Jari Kääriäinen for a weighty reason not be able to act as Chairman of the Annual General Meeting, the company's Board of Directors will appoint another person that it deems most suitable to act as Chairman.

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### **3. Election of persons to scrutinize the minutes and supervise the counting of votes**

The company's CFO Petri Härkönen, will scrutinize the minutes and supervise the counting of votes. Should Petri Härkönen for a weighty reason not be able to attend to these tasks, the company's Board of Directors will appoint another person that it deems most suitable to scrutinize the minutes and supervise the counting of votes.

### **4. Recording the legality of the meeting**

### **5. Recording the attendance at the meeting and adoption of the list of votes**

Shareholders who have voted in advance in accordance with the instructions set out in this notice and who have the right to attend the Annual General Meeting in accordance with Chapter 5, Sections 6 and 6a of the Finnish Companies Act will be recorded to have attended the Annual General Meeting. The list of votes will be adopted according to the information provided by Euroclear Finland Ltd.

### **6. Presentation of the 2021 financial statements, including the consolidated financial statements, and the annual report**

As participation in the Annual General Meeting is possible only in advance, the Annual Review published on 16 March 2022, which includes the company's annual accounts, consolidated accounts, the report of the Board of Directors and the auditor's report is deemed to have been presented to the Annual General Meeting. The document is available on the company's website.

CEO Juho Nummela's video review of 2021 is available on the company's website at <https://www.ponsse.com/en/company/investors/annual-general-meeting/#/> on 22 March 2022 at noon EEST. The video review is held in Finnish.

### **7. Adoption of the financial statements and the consolidated financial statements**

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

Ponsse's Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.60 per share to be distributed for the year 2021. The dividend is to be paid to shareholders registered in the Company's register of shareholders maintained by Euroclear Finland Ltd on the dividend record date of April 11, 2022. The dividend pay date shall be on 20 April 2022. In addition, the Board of Directors proposes to the Annual General Meeting that the Board of Directors be authorized to decide on a distribution of a dividend of up to EUR 0.25 per share at a later date.

Shareholders who in total represent more than 50% of the votes in the company have notified that they will vote in favour of the proposed proposal of the Board of Directors.

Since the dividend proposed by the Board of Directors is less than the minority dividend set forth in Chapter 13 Section 7 of the Finnish Companies Act, the company shall distribute the minority dividend

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if a demand to this effect is made by shareholders who have at least one tenth of all shares. The amount of minority dividend equals half of the profit of the financial year but cannot exceed 8 % of the company's own equity. Hence the amount of the minority dividend is EUR 18,145,799.41 (EUR 0.648/share), which corresponds to 8% of the company's own equity. A shareholder demanding minority dividend may vote for the minority dividend in advance voting, and no separate demand or counterproposal is required. The Board of Directors has noted that it will take the potential distribution of minority dividend into account as a reduction in the amount of funds to be distributed based on the authorization, provided that the Annual General Meeting authorizes the Board of Directors to decide on the distribution of funds as proposed.

#### **9. Payment of profit commission to personnel**

The company's Board of Directors proposes to the Annual General Meeting that a maximum of EUR 100 profit commission (in Finnish "voittopalkkio") per person per working month be paid for 2021 to the personnel employed by the Group.

Shareholders who in total represent more than 50% of the votes of the company have notified that they will vote in favour of the proposal of the Board of Directors.

#### **10. Resolution on the discharge of the members of the Board of Directors and the CEO from liability for the financial year 2021**

#### **11. Handling of the remuneration report for governing bodies**

As participation in the Annual General Meeting is possible only in advance, the Remuneration Report published by a stock exchange release on 16 March 2022, is deemed to have been presented to the Annual General Meeting. The Remuneration Report is available on the company's website at <https://www.ponsse.com/en/company/investors/corporate-info/#/>.

The Board of Directors proposes to the Annual General Meeting adopts the remuneration report for the governing bodies for 2021. According to the Companies Act, the resolution is advisory.

Shareholders representing a total of more than 50% of the votes in the company have notified that they will vote in favour of the adoption of the remuneration report of the governing bodies.

#### **12. Resolution on the remuneration of the members of the Board of Directors**

Shareholders who in total represent more than 50% of the votes in the company have proposed to the Annual General Meeting that the remuneration payable to the members of the Board of Directors will remain unchanged.

The Chairman of the Board of Directors will receive EUR 48,000, the deputy chairman of the Board of Directors will receive EUR 45,000 and ordinary members will receive EUR 38,000 a year. Costs related

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to participation in the meetings of the Board of Directors will be reimbursed to the members in accordance with the company's travel policy.

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

Shareholders who in total represent more than 50% of the votes of the company have proposed to the Annual General Meeting that the number of the members of the Board of Directors shall be eight (8). Previously, the number of Board members was seven (7).

### **14. Election of the Board of Directors**

Shareholders representing a total of more than 50% of the voting power of the company have proposed to the Annual General Meeting that Mammu Kaario, Matti Kylävainio, Juha Vanhainen, Janne Vidgrén, Juha Vidgrén, Jukka Vidgrén and Jarmo Vidgrén will be re-elected as the members of the Board of Directors and Ilpo Marjamaa as a new member of the Board of Directors. The term of the members of the Board of Directors expires at the end of the first Annual General Meeting following the election.

The above-mentioned candidates have consented to their positions.

The Board member candidate Ilpo Marjamaa (M.Sc., Production Systems and Technologies, born 1961) is a board professional. He has extensive experience in strategic business planning and managing international production and logistics. From 1999-2020, Marjamaa worked for Kone Corporation in various management positions related to strategy and business development, as well as sales, production, and logistics. Marjamaa is a member of the Board of Directors of Hetitec Oy. According to the assessment of the proposing shareholders, Mr. Marjamaa is independent of the company and its significant shareholders. Information about the other member candidates that is relevant in the work of the Board of Directors has been presented on the company's website at <https://www.ponsse.com/en/web/guest/company/investors/corporate-info/board-of-directors#/>.

The shareholders propose that the shareholders take a position on the proposal to elect the members of the Board of Directors as a whole at the Annual General Meeting.

### **15. Resolution on the remuneration of the auditor**

Shareholders who in total represent more than 50% of the votes of the company have proposed to the Annual General Meeting that the auditors be paid a fee in accordance with a reasonable invoice presented to the company.

### **16. Election of the auditor**

The Board of Directors proposes that KPMG Oy Ab be elected as the company's auditor for the financial year 2021. KPMG Oy Ab has announced that Ari Eskelinen, Authorized Public Accountant, will act as

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the principal auditor. The term of the auditor expires at the end of the first Annual General Meeting following the election.

Shareholders who in total represent more than 50% of the votes of the company have notified that they will vote in favour of the proposal of the Board of Directors.

**17. Proposal on authorising the Board of Directors to decide on the repurchase of the company's own shares**

Shareholders who in total represent more than 50% of the votes of the company have proposed to the Annual General Meeting that the Annual General Meeting would authorise the Board of Directors to decide on the repurchase of company's own shares as following:

A maximum of 250,000 shares may be repurchased in one or more tranches. The maximum amount corresponds to approximately 0.89% of the company's total shares and votes.

The shares shall be acquired through public trading, for which reason the shares are acquired otherwise than in proportion to the share ownership of the shareholders and the consideration paid for the shares shall be the market price of the Company's share in public trading at Nasdaq Helsinki Ltd at the time of the acquisition. Shares may also be acquired outside public trading for a price which at most corresponds to the market price in public trading at the time of the acquisition. The Board of Directors will be authorized to resolve upon how the shares are acquired. The Board may, pursuant to the authorization, only decide on the repurchase of the company's own shares with funds from the company's unrestricted shareholders' equity.

The authorization includes the Board's right to resolve how the shares are acquired. The company's own shares may be repurchased other than in proportion to the shares held by the shareholders (directed repurchase), if there is a weighty financial reason for the company to do so as provided for in Chapter 15, section 6 of the Finnish Limited Liability Companies Act. The company's own shares may be acquired to develop the company's capital structure, to be used to finance or execute possible acquisitions or investments supporting the company's growth strategy or other arrangements related to the company's business, to be used in the company's incentive schemes or otherwise to be transferred, held, or cancelled.

The decision to repurchase or redeem company's own shares shall not be made so that the shares of the company in the possession of by the company and its subsidiaries would exceed 10% of all shares.

The authorization cancels the authorization given to the Board of Directors by the Annual General Meeting of 7 April 2021 is valid until the closing of the next Annual General Meeting, however, no longer than until 30 June 2023.

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## **18. Authorization the Board of Directors to decide on the share issue, options and other special rights entitling to shares**

Shareholders who in total represent more than 50% of the votes of the company have proposed to the Annual General Meeting that the Annual General Meeting the Board of Directors to be authorized to, in one or more tranches, decide on the issuance of shares as well as the issuance of options and other special rights entitling to shares referred to in chapter 10 section 1 of the Companies Act as follows:

The number of shares to be issued based on the authorization may in total amount to a maximum of 250,000 shares (including shares issued based on options or special rights), corresponding to approximately 0.89% of all the shares in the company.

The Board of Directors decides on the terms and conditions of the issuance of shares. The authorization concerns both the issuance of new shares as well as the transfer of treasury shares either against payment or without consideration. The issuance of shares may be carried out in deviation from the shareholders' pre-emptive right (directed issue) for a weighty financial reason for the company, such as using the shares to develop the company's capital structure, to execute possible acquisitions or investments supporting the company's growth strategy or in other arrangements related to the company's business or to be used in the company's incentive schemes. The Board of Directors may also decide on a free share issue to the company itself.

The authorization cancels the authorization given to the Board of Directors by the Annual General Meeting of 7 April 2021 is valid until the closing of the next Annual General Meeting, however, no longer than until 30 June 2023.

## **19. Closing of the meeting**

### **B. Documents of the Annual General Meeting**

The above-mentioned resolutions of the Board of Directors on the agenda of the Annual General Meeting, this notice of the Annual General Meeting and the documents concerning the financial statements with appendices and the remuneration report are available to shareholders for three weeks before the Annual General Meeting at the company's headquarters at Ponsentie 22, Vieremä as well as on the company's website <https://www.ponsse.com/en/company/investors/annual-general-meeting#/>.

The annual report, which includes the company's financial statements, the report of the Board of Directors and the auditor's report, is available on 16 March 2022 on the company's website <https://www.ponsse.com/en/company/investors/financial-information/annual-reports#/>. The company's corporate governance statement, remuneration policy and remuneration report are available on the company's website <https://www.ponsse.com/en/company/corporate-info#/>.

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Copies of the aforementioned documents and of this notice will be sent to shareholders upon request. The minutes of the meeting will be available on the above-mentioned website no later than 21 April 2022.

### **C. Instructions for the participants in the Annual General Meeting**

In order to prevent the spread of the corona pandemic, the Annual General Meeting will be organized so that the shareholders and their proxy representatives are not allowed to participate in the Annual General Meeting at the meeting venue nor via webcast. The company's shareholders can participate in the Annual General Meeting and exercise their shareholder rights only in advance in accordance with the instructions set out below.

#### **1. Right to participate**

Each shareholder, who is registered in the shareholders' register of the company held by Euroclear Finland Ltd on the record date of the Annual General Meeting, which is 28 March 2022, has the right to participate in the Annual General Meeting. A shareholder, whose shares are registered on his/her personal Finnish book-entry account, is registered in the shareholders' register of the company. A shareholder can participate in the Annual General Meeting and exercise his/her shareholder rights only by voting in advance in accordance with the instructions set out below.

Changes in the ownership of shares after the record date of the Annual General Meeting do not affect the right to participate in the meeting or the number of votes of the shareholder.

Instructions for holders of nominee registered shares are set out below under Section C.4 "Holders of nominee registered shares".

#### **2. Registration and voting in advance**

The company's shareholders may participate in the Annual General Meeting and exercise their shareholder rights only by voting in advance and by presenting counterproposals or questions in advance.

Registration for the Annual General Meeting and advance voting will begin at 12.00 noon EEST on 22 March 2022 following the deadline for submitting counterproposals as further set out in section 5 below. A shareholder registered in the shareholders' register of the company, who wishes to participate in the Annual General Meeting, must register for the Annual General Meeting and vote in advance no later than by 31 March 2022 at 4.00 p.m. EEST, by which time the registration and votes must have been received.

A shareholder, whose shares are registered on his/her Finnish book-entry account, can register and vote in advance on certain matters on the agenda between 12.00 noon EEST on 22 March 2022 and 4.00 p.m. EEST on 31 March 2022 in the following ways:

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- a) electronically through the company's website at <https://www.ponsse.com/en/company/investors/annual-general-meeting#/>

Registration requires strong electronic authentication of a shareholder who is a natural person. When a shareholder who is a natural person logs into the service through the Company's website, he/she is directed to the electronic authentication. After this, a shareholder can in one session register to the Annual General Meeting, authorize another person and vote in advance. Strong electronic authentication can be made with online banking codes or a mobile certificate.

Shareholders who are legal persons can vote in advance by using their business ID and book-entry account number. If the shareholders who are legal persons use the electronic Suomi.fi e-authorization, registration requires a strong electronic authentication of the authorized person by using a Finnish bank ID or Finnish mobile certificate.

- b) by e-mail or regular mail

A shareholder may send the advance voting form available on the company's website to Euroclear Finland Ltd by e-mail to [yhtiokokous@euroclear.eu](mailto:yhtiokokous@euroclear.eu) or by regular mail to Euroclear Finland Ltd, Yhtiökokous/Ponsse Plc, P.O. Box 1110, FI-00101 Helsinki, Finland. The advance voting form will be available at <https://www.ponsse.com/en/company/investors/annual-general-meeting#/> once the registration and advance voting begins on 22 March 2022 at 12.00 noon EEST or shortly thereafter.

A shareholder's advance votes are registered and taken into account if the shareholder registers and votes in advance in accordance with the applicable instructions and duly provides all required information in connection thereto before the expiry of the registration and advance voting period.

The voting instructions will also be available on the company's website at <https://www.ponsse.com/en/company/investors/annual-general-meeting#/>.

In connection with the registration, a shareholder or a proxy representative is required to provide the requested personal information. The personal information given to the company by shareholders and proxy representatives is only used in connection with the Annual General Meeting and with the processing of related necessary registrations.

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### **3. Proxy representative and powers of attorney**

A shareholder is entitled to participate and make use of his or her rights as a shareholder at the Annual General Meeting by proxy.

A person holding a shareholder's proxy should be in possession of a dated proxy document or otherwise be able to show in a reliable manner that he or she is entitled to act in this capacity on behalf of a shareholder. In the event that a shareholder is represented by more than one proxy representative representing shares held in different securities accounts, each proxy representative should state which shares he or she represents when registering to attend the Annual General Meeting.

A proxy and voting instruction template will be available on the company's website at <https://www.ponsse.com/en/company/investors/annual-general-meeting#/> once the registration and advance voting begins on 22 March 2022 at 12.00 noon EEST or shortly thereafter.

A shareholder may participate in the Annual General Meeting and exercise his/her rights thereat also by appointing another proxy representative of his/her choice. A proxy representative appointed by a shareholder must also vote in advance by regular mail or e-mail in the herein described manner (a proxy representative cannot vote in the electronic advance voting system).

A proxy representative must deliver a proxy document given to him/her including an advance voting form or corresponding information by regular mail to Euroclear Finland Ltd, Yhtiökokous / Ponsse Plc, P.O. Box 1110, FI-00101 Helsinki, Finland or by e-mail to [yhtiokokous@euroclear.eu](mailto:yhtiokokous@euroclear.eu) before the end of the registration and advance voting period, by which time the documents or corresponding information must be received. Delivery of a proxy document and an advance voting form to Euroclear Finland Ltd before the expiration of the registration period constitutes due registration for the Annual General Meeting.

Shareholders that are legal persons can also use the electronic Suomi.fi authorization service instead of the traditional proxy in Euroclear Finland Oy's general meeting service. In this case, the shareholder that is legal person authorizes an assignee nominated by it in the Suomi.fi service at <https://www.suomi.fi/e-authorizations> using the authorization topic "Representation at the General Meeting". The assignee must identify himself/herself with strong electronic authentication in Euroclear Finland Oy's general meeting service when registering, after which the electronic mandate is automatically checked. The strong electronic authentication works with a Finnish bank ID or a Finnish mobile certificate. More information on <https://www.suomi.fi/e-authorizations>.

Holders of nominee registered shares should register and vote in advance in accordance with the instructions set out under Section C.4 "Holders of nominee registered shares".

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#### **4. Holders of nominee registered shares**

A holder of nominee registered shares has the right to participate in the Annual General Meeting by virtue of such shares, based on which he/she on the record date of the Annual General Meeting, on 28 March 2022, would be entitled to be registered in the shareholders' register of the company maintained by Euroclear Finland Oy Ltd. The right to participate in the Annual General Meeting requires, in addition, that the shareholder on the basis of such shares has been registered into the temporary shareholders' register held by Euroclear Finland Ltd at the latest by 4 April 2022 at 10.00 a.m. EEST. As regards nominee registered shares this constitutes due registration for the Annual General Meeting. Changes in the ownership of shares after the record date of the Annual General Meeting do not affect the right to participate in the Annual General Meeting or the number of votes of the shareholder.

A holder of nominee registered shares is advised to request without delay necessary instructions regarding the registration in the temporary shareholders' register of the company, the issuing of proxy documents and registration for the Annual General Meeting from his/her custodian bank. The account management organization of the custodian bank has to register a holder of nominee registered shares, who wants to participate in the Annual General Meeting, into the temporary shareholders' register of the company at the latest by 4 April 2022 at 10.00 a.m. EEST.

The account management organization of the custodian bank shall also take care of the voting in advance on behalf of the holders of nominee-registered shares within the registration period applicable to nominee-registered shares.

#### **5. Counterproposals, right to ask questions and other information**

Shareholders representing at least one hundredth (1/100) of all the shares in the company have the right to make counterproposals concerning the matters on the agenda of the Annual General Meeting to be placed for a vote. Such counterproposals shall be delivered to the company by e-mail to [petri.harkonen@ponsse.com](mailto:petri.harkonen@ponsse.com) at the latest by 21 March 2022 at 10.00 a.m. EEST, by which time the counterproposals must be received by the company.

A counterproposal is eligible for voting at the Annual General Meeting if the shareholders who have made the counterproposal have the right to attend the meeting and on the record date of the Annual General Meeting represent at least one hundredth (1/100) of all shares in the company. If a counterproposal is not eligible for voting at the Annual General Meeting, the votes given in favour of such a counterproposal will not be taken into account. The company will publish potential counterproposals eligible for voting on the company's website at <https://www.ponsse.com/en/company/investors/annual-general-meeting#/> on 22 March 2022 at 10.00 a.m. EEST, at the latest.

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A shareholder has the right to ask questions with respect to the matters to be considered at the Annual General Meeting pursuant to Chapter 5, Section 25 of the Finnish Companies Act. Such questions must be sent by e-mail to [petri.harkonen@ponsse.com](mailto:petri.harkonen@ponsse.com) by 24 March 2022 at 4.00 p.m. EEST, by which time the questions must be received by the company. Such questions by shareholders, responses to such questions by the company's management as well as other counterproposals than those eligible for voting will be available on the company's website at <https://www.ponsse.com/en/company/investors/annual-general-meeting#/> on 29 March, at the latest.

In connection with asking questions, shareholders are required to provide adequate evidence of their shareholding.

On the date of this notice to the Annual General Meeting, 16 March 2022, the total number of shares and votes in Ponsse Plc is 28,000,000 shares and votes. On the date of this notice the Company holds 227 own shares in its possession.

Vieremä, Finland, 16 March 2022

PONSSE PLC

Board of Directors

#### MORE INFORMATION

CFO Petri Härkönen, tel. +358 20 768 800, +358 50 409 8362

#### DISTRIBUTION

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*Ponsse Plc specialises in the sale, production, maintenance and technology of cut-to-length method forest machines, and is driven by a genuine interest in its customers and their business operations. Ponsse develops and manufactures sustainable and innovative harvesting solutions based on customer needs.*

*The company was established by forest machine entrepreneur Einari Vidgrén in 1970 and has been a leader in timber harvesting solutions based on the cut-to-length method ever since. Ponsse is headquartered in Vieremä, Finland. The company's shares are quoted on the NASDAQ OMX Nordic List.*