

ELO MUTUAL PENSION INSURANCE COMPANY  
ARTICLES OF ASSOCIATION  
Valid as of 28 May 2018

Company name, domicile and scope of operation

1 §

The company's name is Keskinäinen Työeläkevakuutusyhtiö Elo, in Swedish Ömsesidiga Arbetspensionsförsäkringsbolaget Elo and in English Elo Mutual Pension Insurance Company, and its domicile is Espoo.

2 §

The company operates in the statutory insurance business referred to in the Employees Pensions Act and the Self-employed Persons' Pensions Act, and reinsurance business directly related thereto.

Equity capital and reserves

3 §

The company's own reserves comprise:

- 1) an initial fund of no less than 5,000,000 euro and no more than 7,000,000 euro. This amount can be increased, by a resolution of the General Meeting, and may only be used to cover a loss as specified in Section 4,
- 2) a contingency fund, and
- 3) a contingency reserve whose increase is decided on by the General Meeting. The use of the fund is decided on by the Board of Directors.

The company may have other funds, the increase and use of which is decided on by the General Meeting.

The company has no guarantee capital.

4 §

If the financial statements show a loss, the deficit shall be covered by the company's reserves in the following order:

- 1) any reserves possibly established by the decision of the General Meeting,
- 2) the contingency reserve,
- 3) the contingency fund, and
- 4) the initial fund

Ownership

5 §

The company's owners (shareholders) are:

- 1) policyholders, that have a valid insurance policy with the company in accordance with the Employees' Pensions Act (TyEL),
- 2) policyholders, that have a valid insurance policy with the company in accordance with the Self-employed Persons' Pensions Act (YEL),
- 3) the insured, jointly, who are covered by each insurance policy under the Employees Pensions Act (TyEL) that was taken out by a particular policyholder and is valid in the company.

The reinsurance policyholders are not considered owners of the company.

6 §

The owners shall not be liable for the company's commitments.

Board of Directors

7 §

The company's administration and appropriate arrangement of operations are taken care of by the Board of Directors which comprises a minimum of ten (10) and maximum of sixteen (16) ordinary members and a minimum of four (4) and maximum of eight (8) deputy members.

The Board of Directors shall include representatives of the policyholders and the insured who are elected from among the persons proposed by major central labour market organisations representing employers and employees. The representatives elected from among those persons proposed by major central labour market organisations representing employees shall be a minimum of one third of the members of the Board of Directors and the representatives elected from among those persons proposed by major central labour market organisations representing employers shall be a minimum of one sixth of the members of the Board of Directors. This provision of the Articles of Association shall be applied, for the first time, in connection with the election of members to the Board of Directors in 2020 and onwards.

If a member or deputy member of the Board of Directors resigns during the term, a new member shall be elected to replace him/her for the remainder of the term.

The Board of Directors elects a Chairman from among themselves for one calendar year at a time. The Board of Directors may elect more than one Deputy Chairman, in which case one (1) of the Deputy Chairmen shall be elected to serve as First Deputy Chairman. If the person put forth by the representatives of the insured was not elected as Chairman of the Board of Directors, that person shall be elected to be the First Deputy Chairman.

The members and deputy members of the Board of Directors are elected for a term lasting (3) calendar years.

The Board of Directors convenes by invitation of the Chairman, or of the Deputy Chairman if the Chairman is prevented from doing so, and constitutes a quorum when more than half of the members are present. When deciding on or preparing a proposition regarding a merger, transfer or receipt of an insurance portfolio, distribution of profit or the investment plan, the

decision of the Board of Directors shall be the opinion favoured by at least two thirds of the members of the Board of Directors present. As concerns other matters, the decision of the Board of Directors shall be the opinion favoured by more than half of those present, or if the votes are divided evenly, the opinion favoured by the Chairman.

Minutes shall be drawn up for each meeting of the Board of Directors. The Board of Directors shall elect preparatory committees to manage, at the very least, its appointment, remuneration and auditing issues. More precise instructions on the committees are presented in the operating procedure of the Board of Directors.

#### Managing Director and Deputy Managing Director

##### 8 §

The company has a Managing Director who is appointed by the Board of Directors.

The company may also have as many Deputy Managing Directors and Directors as is decided by the Board of Directors. The Board of Directors appoints the Deputy Managing Directors and Directors. The Board of Directors may appoint one (1) Deputy Managing Director to serve as the acting Managing Director.

#### Supervisory Board

##### 9 §

The company has a Supervisory Board which consists of a minimum of twenty-eight (28) and maximum of fifty-six (56) members.

The Supervisory Board shall include representatives of the policyholders and the insured who are elected from among the persons proposed by major central labour market organisations representing employers and employees. The representatives elected from among those persons proposed by major central labour market organisations representing employees shall be a minimum of one third of the members of the Supervisory Board and the representatives elected from among those persons proposed by major central labour market organisations representing employers shall be a minimum of one sixth of the members of the Supervisory Board. This provision of the Articles of Association shall be applied, for the first time, in connection with the election of members to the Supervisory Board for the term beginning at the end of the Annual General Meeting in 2019 and onwards.

The members of the Supervisory Board are elected for a term lasting three (3) years. The term begins at the end of the General Meeting in which he/she was elected, and ends at the end of the Annual General Meeting in which the member is scheduled to resign. Each year, one third or the nearest corresponding number of members shall resign. The General Meeting can decide to shorten a member's term to less than three (3) years if such a measure is necessary to even out the number of resignations.

If the decision is made to further increase the number of members of the Supervisory Board, the General Meeting shall, at the same time, decide the duration of the term of each new member. If a member resigns during the course of the term, the term of the new member elected to replace him/her shall last for the remainder of the existing term.

##### 10 §

Each year, the Supervisory Board elects, from among its own members, a Chairman and one (1) or more Deputy Chairmen, in which case one (1) of the Deputy Chairmen shall be elected as First Deputy Chairman. Either the Chairman or the First Deputy Chairman shall be a person put forth by the insured.

The Supervisory Board convenes by invitation of the Chairman, or the Deputy Chairman if the Chairman is prevented from doing so, or by the decision of the Board of Directors. If the Chairman and Deputy Chairman of the Supervisory Board are prevented from serving as Chairman at the meeting, the meeting shall be chaired by the member of the Supervisory Board elected at the meeting. The Supervisory Board constitutes a quorum when more than half of the members are present. In the meetings of the Supervisory Board, decisions shall be made by a simple majority of votes. If the votes are divided evenly, the deciding vote shall be the opinion favoured by the Chairman, except in the election of the Chairman, in which case the matter is solved by a drawing of lots.

The members and deputy members of the Board of Directors, the Managing Director and the Deputy Managing Director are entitled to be present and use their right to speak in the meetings of the Supervisory Board.

Minutes shall be drawn up for each meeting of the Supervisory Board.

11 §

The duties of the Supervisory Board are

- 1) to supervise the company's administration under the leadership of the Board of Directors and the Managing Director;
- 2) to decide on the number of members and deputy members in the Board of Directors;
- 3) to elect and relieve members and deputy members of the Board of Directors, and to decide on the remuneration payable to members and the bases for compensation for their travel expenses;
- 4) to elect the members, Chairman and Deputy Chairman of the Election Committee, and to decide on the remuneration payable to members of the Election Committee and the bases for compensation for their travel expenses.

Election Committee

12 §

The Supervisory Board of the company elects an Election Committee that consists of six (6) members. The members of the Election Committee shall be members of the Supervisory Board or the Board of Directors, and half of the members shall be elected from among persons proposed by the members of the Supervisory Board representing the policyholders and half from among persons proposed by the members of the Supervisory Board representing the insured.

The Election Committee shall elect a Chairman and Deputy Chairman, and one of them shall be a person put forth by the representatives of the insured.

The Election Committee prepares, for the General Meeting, proposals concerning the remuneration payable to the members of the Supervisory Board and the election of the members of the Supervisory Board.

The Election Committee also prepares, for the Supervisory Board, proposals concerning the remuneration payable to the members of the Board of Directors and the election of the members of the Board of Directors.

The members of the Election Committee shall be elected in the first meeting of the Supervisory Board following the Annual General Meeting. The term of the members is three (3) full calendar years following their election. If an Election Committee member's term in the relevant administrative body of the company ends, the membership in the Election Committee shall end simultaneously, unless the member is immediately re-elected for a new term in the administrative body. If a member of the Election Committee resigns from the Election Committee during the term of the Committee, a new member shall be elected to replace him/her for the remainder of the term. If the remaining members of the Election Committee constitute a quorum, the election can be postponed until the next meeting of the Supervisory Board, at which the election would ordinarily be performed.

The invitation to the meeting of the Election Committee shall be sent to the members in good time and no later than three (3) business days before the meeting. The Election Committee convenes by invitation of the Chairman, or of the Deputy Chairman if the Chairman is prevented from doing so, and constitutes a quorum when more than half of the members are present. At the meetings of the Election Committee, decisions shall be made by a simple majority of votes. If the votes are divided evenly, the deciding vote shall be the opinion favoured by the Chairman. Minutes shall be drawn up for each meeting of the Election Committee.

#### Representation

##### 13 §

The company is represented by:

- 1) the members and deputy members of the Board of Directors, the Managing Director and the acting Managing Director, two together;
- 2) any other persons to whom the Board of Directors has assigned the right to represent the company together with one of the persons mentioned in item 1 or some other authorised person.

#### Auditors

##### 14 §

The company shall have a minimum of one (1) and a maximum of two (2) auditors. If the auditor is not an audit firm, the company shall also appoint a minimum of one (1) and a maximum of two (2) deputy auditors. The auditor and deputy auditor shall be an Authorised Public Accountant (KHT) or an audit firm whose appointed auditor is an Authorised Public Accountant (KHT).

The term of the auditor ends at the close of the next Annual General Meeting.

##### 15 §

The financial period of the company is one calendar year.

##### 16 §

The Board of Directors shall present the financial statements to the auditors no later than one month before the Annual General Meeting.

The auditors shall present the auditors' report to the Board of Directors no later than two weeks before the Annual General Meeting at which the financial statements are to be confirmed.

#### General Meeting

#### 17 §

The Annual General Meeting shall be held annually by the end of May on a date decided on by the Board of Directors.

The notice of the meeting shall be delivered no later than two (2) weeks, and for Extraordinary General Meetings, one (1) week before the last date of registration for the meeting. The notice of the meeting is delivered through its publication on the company's website. Furthermore, the Board of Directors may, at its own discretion, publish a notice about the Annual General Meeting in one or more newspapers.

Copies of the financial statements, Board of Directors' report and auditors' report shall be available for viewing at the company headquarters or on the company website for a minimum of one week before the Annual General Meeting.

In order to participate in the meeting, a shareholder is obligated to inform the company about the intended participation by the deadline specified on the notice of the meeting, which can be, at the earliest, five (5) days before the meeting.

#### 18 §

The General Meeting shall be opened by the Chairman of the Supervisory Board or the Deputy Chairman if the Chairman is prevented from doing so, or by the Chairman or Deputy Chairman of the Board of Directors.

The members and deputy members of the Board of Directors, the members of the Supervisory Board, the Managing Director and the Deputy Managing Director are entitled to be present and use their right to speak at the General Meeting.

The voting shall be carried out by closed ballot, if one of the present shareholders so requires. In case of a tie, the vote of the Chairman serves as the deciding vote, except in elections where the matter is decided by the drawing of lots.

Minutes shall be kept at the General Meeting. This task shall be assigned to the secretary appointed by the Chairman of the General Meeting. The minutes shall be signed by the Chairman and secretary. In addition, the minutes shall be examined and signed by at least one person with the right to vote who is elected at the meeting.

#### 19 §

The right to vote in the General Meeting is held by the owners specified in Section 5, Subsection 1, items 1 and 2 of these Articles of Association and representatives of the insured as specified in Section 5, Subsection 1, item 3. A representative may only represent the insured of one (1) policyholder or group as specified below, and the representative shall also be insured under one of the TyEL insurance policies represented by him/her.

One or more representatives can be elected to represent the insured in cases where a single policyholder has multiple TyEL insurance policies valid in the company or where several TyEL insurance policies are held by the companies within a group in accordance with the Companies Act. However, it is only possible to elect one representative for each TyEL insurance policy.

The election of the representative, and whether one or more representatives are elected according to subsection 2 and which insurance policies those representatives represent, shall be decided on by representatives of the personnel groups referred to in the Act on Co-operation within Undertakings and, in terms of the aforementioned group, those representatives of personnel who were elected for group co-operation in accordance with the aforementioned Act. Unless the policyholder has specifically named personnel representatives, the aforementioned election shall be carried out, separately for each insurance policy, by the general meeting of the insured who are covered by the TyEL insurance policies, or if a policyholder has multiple TyEL insurance policies valid in the company, by the general meeting of the insured covered by these insurance policies.

The election of a representative shall be stated in a document that is signed by the Chairman of the election meeting. This document is the representative's authorisation for the purpose of the General Meeting. The insurance policy or policies under which the insured represented by the representative are covered shall be specified in the document.

The number of votes held as related to each insurance policy is one (1) vote per each full 100 euro share of insurance premium paid during the previous calendar year. The number of votes per policy is, however, a minimum of two (2) votes.

The number of votes for a TyEL insurance policy or for each insurance policy, if the policyholder has multiple TyEL insurances valid in the company, shall be divided between the policyholder and the representative of the insured in proportion to the employer's and employee's average premium percentage as determined by the Employees Pensions Act. The number of votes thus achieved shall be rounded up to the nearest integer. If the number of votes for an insurance policy is two (2) votes, one vote shall belong to the policyholder and the other to the representative of the insured.

When the number of votes for insurance policies is being divided as specified in subsection 6 between the policyholder and representative of the insured, the premium percentages for that year, on whose insurance premium the number of votes is based, shall be used.

At the General Meeting, the maximum number of votes cast by one party on its own behalf or, as a proxy, for another party is one tenth of the total number of votes represented at the meeting.

20 §

The Annual General Meeting: shall be presented with

- 1) financial statements, consolidated financial statements and the Board of Directors' report,
- 2) the auditors' report,

shall decide on

- 3) confirmation of the financial statements and the consolidated financial statements,

- 4) the use of the profit shown by the confirmed balance sheet,
- 5) the granting of discharge from personal liability to the members of the Supervisory Board and Board of Directors and the Managing Director,
- 6) the number of members on the Supervisory Board,
- 7) the number of auditors and deputy auditors,
- 8) the remuneration of the members of the Supervisory Board and auditors, and the bases for the compensation of their travel expenses,

shall elect

- 9) the members of the Supervisory Board,
- 10) the auditors and, if necessary, deputy auditors.

#### 21 §

If a shareholder wishes to have a matter, which, by virtue of legislation, falls within the scope of the General Meeting, to be handled at the General Meeting, a written request to this effect shall be submitted to the Board of Directors well in advance, so that the matter can be included in the notice of the meeting.

Specific provisions

#### 22 §

Other notices to the shareholders shall be delivered in the same way as the notice of the Annual General Meeting as specified in Section 17.

#### 23 §

A decision concerning an amendment of the Articles of Association, a company merger, the transfer of the insurance portfolio or a part thereof, and the initiation of liquidation procedures are only valid if they are favoured by shareholders holding at least two thirds (2/3) of the votes cast at the meeting

As an exception to the aforementioned provision, the company's Board of Directors shall make the decision concerning the transfer of an employer-specific insurance portfolio in cases where the insurance portfolio to be transferred is a maximum of ten per cent of the company's technical provisions in accordance with the Act on Pension Insurance Companies.

#### 24 §

Disputes between the company, as one party, and the Board of Directors, a member or deputy member of the Board of Directors, the Managing Director, the Deputy Managing Director or the auditor, as the other party, shall be solved in compliance with the arbitration procedure as prescribed in the Limited Liability Companies Act and the Arbitration Act.

The Chairman of the arbitrators is appointed by the Central Chamber of Commerce of Finland.



25 §

In connection with the company's liquidation, dissolution, transfer of insurance portfolio or other arrangement concerning the distribution of assets, the assets that exceed liabilities, including the revaluation reserve, shall belong to the policyholders as part of the insurance portfolio, the assets of which shall be used to provide pension cover to the insured.