



BOARD DIVERSITY POLICY

Rapala VMC Corporation

1. Duties and Responsibilities of the Board of Directors

The duties and responsibilities of the Board of Directors of Rapala VMC Corporation are determined on the basis of the Finnish Companies Act and other applicable legislation. The Board has general authority in all matters not reserved by law or the Articles of Association for decision or execution by other corporate bodies. The Board is responsible for the governance of the Company and for the proper organization of its operations. In all situations, the Board shall act in the best interests of the Company. The Board has set as its objective to direct the Company's operations in a manner that creates the greatest possible and sustainable value for the shareholders, while also taking into account other stakeholders. The specific duties of the Board are set out in the Board's Rules of Procedure.

The members of the Board are elected by the Annual General Meeting. The term of a member of the Board lasts until the end of the next Annual General Meeting. The Board elects the Chairman from among its members to serve until the next Annual General Meeting.

2. Purpose of this Policy

This policy defines the objectives and methods by which appropriate diversity of the Board of Directors is to be achieved. The aim is to ensure that Board diversity supports the Company's long-term success and the effective performance of the Board's duties. The Board considers diversity to be a key prerequisite for efficient and responsible Board work. Diversity ensures that the Board is able to support the Company's long-term strategy, decision-making, and the realization of shareholders' interests.

3. Diversity Factors of the Board of Directors

Size of the Board

In accordance with the Articles of Association, the Company shall have a Board of Directors comprising a minimum of five (5) and a maximum of ten (10) members. In line with the Finnish Corporate Governance Code (the "Code"), when assessing the number of members and the composition of the Board, consideration shall be given to the effective performance of the Board's duties. In addition, the number of members and the composition shall take into account the requirements set by the Company's business and its stage of development. The size of the Board shall support constructive and efficient interaction and decision-making.

Essential Qualification Requirements for Board Members

In accordance with the Code, a person elected as a member of the Board shall possess the qualifications required for the position and be able to devote sufficient time to the task. To ensure diversity of the Board, when nominating members, the candidates' expertise, experience, and knowledge of the industry are taken into account. Proposed candidates must also have diverse experience of the business and development of companies operating internationally. The candidates should possess complementary expertise and experience in different areas of the Company's business, covering the key functions of Rapala VMC Corporation and of a listed company. The objective is also to ensure continuity so that at least some of the elected members have longer-term experience of the Company's business.

Relevant Professional and Educational Backgrounds

The Board shall include a sufficient number of members with professional experience and education enabling them to competently evaluate and address issues relating to the Company's operations and governance. Collectively, the Board members shall provide a balanced combination of business, financial, administrative, and leadership expertise.

Other Relevant Characteristics of Board Members

The Company's objective is that the members of the Board represent broad and diverse perspectives. As the Company's strategic objectives, risk profile, and operating conditions may evolve over time, it is necessary for the Board to regularly assess the skills, experience, and other key capabilities of its members, and to ensure that these are developed and renewed to meet changing requirements. When assessing the composition of the Board, the following aspects are taken into account:

- Educational background and professional experience
- Age distribution and gender balance
- International experience and language skills
- Industry knowledge and leadership experience
- Ability to devote sufficient time to Board duties

The objective is that the composition of the Board forms a diverse and complementary whole which supports the Company's strategic needs and enhances the quality of decision-making.

4. Evaluation and Nomination Process of Board Members

Rapala VMC Corporation does not have a shareholders' nomination board or a nomination committee established by the Board of Directors. In preparing the proposal concerning the composition of the Board, the Company follows a practice whereby the largest shareholders make the proposal regarding the composition of the Board. They are expected to take into account the principles of this Diversity Policy when making their proposals to the General Meeting.

5. Gender Representation on the Board

The purpose of the diversity principles is to contribute to making sure that the Board of Directors' combined competence and experience and the diversity of its composition are sufficiently aligned with Rapala VMC Corporation's operational needs. With regard to gender structure, the objective is that there is a balanced representation of different genders in the Board. The Company always strives to comply with the objective under the Finnish Companies Act that at least 40 per cent (taking into account applicable rounding rules) of the members of the Board of Directors shall represent the gender that is less represented.

6. Reporting

The diversity of the Board of Directors is evaluated annually as part of the Board's self-evaluation and the governance review process. The implementation of diversity is reported in the Corporate Governance Statement. This reporting includes information on the background, experience, and gender distribution of the Board members.



7. Approval of this Policy

Rapala VMC Corporation is committed to the continuous development of Board diversity. This Policy shall be reviewed as necessary, for example, in the event of significant legislative changes, updates to the Corporate Governance Code, or changes in the Company's strategic needs. All amendments to this Policy shall be approved by the Board of Directors of the Company. The Board of Directors of the Company last approved this Policy on 8 October 2025.