



Orava Residential REIT plc

CEO

Mr. Pekka Peiponen (born 1962) has been the CEO since February 2014.

Mr. Peiponen has been a Board Member in the management company Orava Funds plc in 2009 and again from January 2014 and worked as director in Orava Funds plc since October 2013. Mr. Peiponen worked as Head of Administration in Finnish Financial Supervisory Authority (Finnish FSA) between June 2009 and October 2013. Prior joining Finnish FSA Mr. Peiponen worked more than twenty years in various posts in Securities and Derivative Exchanges including Senior Vice President responsible for trading and market information. Mr. Peiponen acted as a deputy to the CEO of the Helsinki Stock Exchange and was a Board Member in several Nordic and Baltic Exchanges and Central Securities Depositories between years 2002 and 2008.

Mr. Peiponen holds a masters' degree in economics (M.Sc.[econ.]).

CEO's guideline

This guideline was approved by the meeting of the company's Board of Directors on 30 December 2010 and it was updated on 19 March 2015. The Board of Directors will update and change the guideline as necessary. The Board of Directors reviews the guideline after the General Meeting following the election of the Board of Directors.

1. The operation of the CEO is controlled by the Articles of Association and other provisions

This guideline steers the operation of the CEO and supplements the other provisions to be followed, among which the central provisions are: the Limited Liability Companies Act, the Securities Markets Act, the Real Estate Funds Act, the Act on the Tax Exemption of Certain Limited Liability Companies Engaging in Apartment Rental Operations ("the Tax Exemption Act"), the company's Articles of Association, and the Account Use and Other Authorisations guideline.

The recommendations of the guideline concerning the CEO will be applied to the deputy CEO when they in fact manage the duties of the CEO.

2. Position of the CEO

The Board of Directors appoints and dismisses the CEO and supervises the CEO's activities. The CEO is not in an employment relationship with the company, and the Employment Contracts Act or provisions on working hours and annual holidays are not applied to the CEO.

The terms and conditions of the duties of the CEO are determined in writing in an agreement that the Board of Directors approves. The CEO may not act as the chairman of the Board of Directors.

3. Tasks of the CEO

The CEO is an organ of the company who manages the company's routine administration according to the instructions and orders of the Board of Directors to achieve the objectives set by the Board of Directors. The routine administration mainly includes the management and supervision of the company's business, making investments and entering into and concluding agreements. The CEO is responsible for the legality of the company's accounting and the reliable organisation of financial management.

The CEO is responsible for the payment and supervision of employees' salaries, withholding pay-as-you-earn taxes and social security payments and ensuring that the company pays taxes and public fees levied on it. The CEO shall arrange such an organisation for the company that ensures the management of the duties in question.



The CEO may only take unusual or extensive measures considering the scope and nature of the company's activities when authorised by the Board of Directors.

The CEO is responsible for investing the assets to be invested by the REIT in accordance with the rules and acts applicable to the REIT, without jeopardising its tax exemption.

The CEO introduces investment proposals for decision by the REIT's Board of Directors which, in accordance with the rules of the REIT, shall be made by the Board of Directors of the REIT:

1. Acquisition or assignment of the REIT's investment assets if the contract price exceeds 10% of the REIT's entire capital;
2. Acquisition or assignment of real estate;
3. Deciding on taking out liabilities;

4. Entering into service agreements related to the acquisition and management of the REIT's investments or amending them.

The REIT's Board of Directors may authorise the CEO to make the decisions on investment operations referred to in Sections 2–3 within certain limits. The CEO or a person appointed by the CEO is responsible for other investment decisions and the operational management of investment operations under the authorisations granted by the Board of Directors, unless otherwise provided in the legislation applicable to the REIT.

The CEO assesses and decides together with the chairman of the Board on the need to announce profit warnings. The assessment of the need is based on the forecasts previously provided by the company, taking into account the outlook and the prevailing market situation.

The chairman of the Board and the CEO prepare the agenda for the meetings of the Board of Directors and prepare the matters to be introduced to the meetings. The CEO manages the practical convening of regular Board meetings and the delivery of meeting material. The CEO's accompanying words, the agenda, the minutes of the previous meeting with their appendices, the latest monthly report and any documents related to the matters on the agenda shall be delivered with the notice of the meeting.

The CEO shall induct new members of the Board into the company and the business of the Group as far as possible immediately after their election, before the first Board meeting.

In those months during which the Board of Directors does not convene, the CEO shall deliver the latest monthly report to Board members by email with the accompanying letter from the CEO.

Other management

The company has no other operating management than CEO.

The company has made an agreement with a management company covering the organisation, management and development of the operations and administration of the company. The management company of Orava Residential REIT plc is Orava Funds plc.