



# **Remuneration Report**

# Loihde Plc's Remuneration Report 2024

## 1. Introduction

The remuneration of the governing bodies of Loihde Plc (below Loihde) is based on the Remuneration Policy that the Annual General Meeting (below AGM) approved on 5 May 2022. It is the objective of the Remuneration Policy to promote Loihde's business strategy, long-term growth and profitability, and sustainable growth of shareholder value.

The Remuneration Report is formulated in accordance with the Finnish Corporate Governance Code 2025 for listed companies, which entered into force on 1 January 2025. It is the purpose of this report to paint a clear and understandable picture of the implementation of the remuneration of Loihde's Board of Directors, Shareholders' Nomination Board, CEO, and potential deputy of the CEO, and also of the implementation of the Remuneration Policy.

### Five-year development of remuneration and the company's financial performance

Loihde Plc has transitioned to IFRS-compliant reporting starting from the financial year 2022, with 2021 being the comparative period. For this reason, all figures from the above-mentioned years are not entirely comparable to those of previous years.

(EUR 1,000)	2020 FAS	2021 <sup>3</sup> IFRS	2022 <sup>3</sup> IFRS	2023 IFRS	2024 IFRS
<b>Revenue</b>	106,823	104,418	122,987	132,690	139,702
<b>Change compared to the previous year, %</b>	4%	N/A <sup>4</sup>	18%	8%	5%
<b>Adjusted EBITDA</b>	6,160	7,236	10,290	7,569	10,986
<b>Change compared to the previous year, %</b>	12%	N/A <sup>4</sup>	42%	-26%	45%
<b>(EUR 1,000)</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>Remuneration of the Board of Directors<sup>1</sup></b>	179	215	204	246	243
<b>Change compared to the previous year, %</b>	12%	N/A <sup>4</sup>	-5%	20%	-1%
<b>(EUR 1,000)</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>Base + benefits of the Group CEO</b>	273	291	300	303	328
<b>Change compared to the previous year, %</b>	6%	7%	3%	1%	8%
<b>Total remuneration of the Group CEO</b>	307	340	425	360	382
<b>Change compared to the previous year, %</b>	-7%	N/A <sup>4</sup>	25%	-15%	6%
<b>(EUR 1,000)</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>Average wages and salaries of the employees<sup>2</sup></b>	61	67	65	65	67
<b>Change compared to the previous year, %</b>	1%	N/A <sup>4</sup>	-3%	0%	3%

<sup>1</sup>The remuneration of the Board of Directors includes meeting fees for Board members having attended the meetings of committees and the Nomination Board, as well as meeting fees for Board members having attended the meetings of the Supervisory Board in 2020 and 2021.

<sup>2</sup>The average wages and salaries of the employees include cash wages and salaries without add-on costs, divided by the average number of employees (FTE) during the year. The wages, salaries and remuneration information shows the wages, salaries and remuneration paid during each financial year. The remuneration paid as part of the short-term and long-term incentive schemes is paid during the year following the end of the vesting period.

<sup>3</sup>Continuing operations without Hibox Systems Oy Ab

<sup>4</sup>Not all percentage changes for 2021 can be calculated, since it was the first year reported in accordance with IFRS.

## **2. Remuneration of the Shareholders' Nomination Board and the Board of Directors for the financial year 2024**

### **Shareholders' Nomination Board**

Until 7 May 2024, the Shareholders' Nomination Board was remunerated in accordance with the decision of the AGM on 6 May 2021, according to which the members of the Nomination Board were paid a meeting fee of EUR 400 per meeting and the Chair of the Nomination Board a meeting fee of EUR 700 per meeting. The Chair of the Board of Directors who attends the meetings of the Nomination Board as an expert was paid a meeting fee of EUR 400 per meeting.

On 7 May 2024, the AGM decided that the annual fee of the Chair of the Nomination Board will be EUR 4,000 and the annual fee of the members EUR 2,500. No separate meeting fees will be paid.

The remuneration paid to the Nomination Board in 2024 was:

	<b>Meeting and annual fees, EUR 1,000</b>
<b>Chair</b>	3
<b>Others, in total</b>	6

The remuneration of the Nomination Board also includes remuneration paid to members of the Board of Directors for attending the meetings of the Nomination Board.

### **Board of Directors**

Until 7 May 2024, the members of the Board of Directors were remunerated in accordance with the decision of the AGM on 4 May 2023, according to which the Chair of the Board would be paid an annual fee of EUR 39,600 and a meeting fee of EUR 700 per meeting and the members of the Board would be paid an annual fee of EUR 16,500 and a meeting fee of EUR 600 per meeting. It was also decided that the Chair of a committee would be paid a meeting fee of EUR 700 per meeting and the members of a committee a meeting fee of EUR 600 per meeting.

On 7 May 2024, the AGM decided that the annual fee of the Chair of the Board will be EUR 55,000, the annual fee of the Vice-Chair EUR 40,000 and the annual fee of the members EUR 27,400. In addition, an annual fee of EUR 7,000 will be paid to the Chair of a committee and an annual fee of EUR 3,500 to the members of a committee. No separate meeting fees will be paid.

The remuneration paid to the members of the Board of Directors and its committees in 2024 was:

	Annual fees <sup>1</sup> , EUR 1,000	Meeting fees <sup>1</sup> , EUR 1,000	Total, EUR 1,000	Number of bonus shares received in 2024 in the share-based incentive scheme	Committee memberships
<b>Kaj Hagros<sup>2</sup></b>	7	5	12	107	Personnel Committee, Chair
<b>Marko Kauppi<sup>3</sup></b>	39	-	39	-	Audit Committee, member
<b>Timo Kotilainen<sup>2</sup></b>	16	6	22	257	Audit Committee, member
<b>Juha Murtopuro</b>	26	5	31	-	Personnel Committee, member
<b>Jari Niska<sup>3</sup></b>	29	-	29	-	Personnel Committee, member
<b>Matti Piri<sup>2</sup></b>	7	4	11	107	Audit Committee, Chair
<b>Anni Ronkainen</b>	28	5	33	-	Personnel Committee, member/Chair
<b>Matti Vikkula</b>	28	4	33	-	Audit Committee, member/Chair
<b>Christian Wetterstrand<sup>3</sup></b>	21	-	21	-	Audit Committee, member
<b>Stefan Wikman<sup>2</sup></b>	7	4	11	107	Audit Committee, member

<sup>1</sup>The remuneration of the Board of Directors does not include the remuneration paid to the members of the Board of Directors for attending the meetings of the Nomination Board, since it is included under the remuneration of the Nomination Board.

<sup>2</sup>Member of the Board of Directors until 7 May 2024

<sup>3</sup>Member of the Board of Directors as of 7 May 2024

### **3. Remuneration of the CEO for the financial year 2024**

The Board of Directors decides on the remuneration and bonuses of the CEO, as well as other terms of the CEO contract. The CEO contract also specifies financial benefits, including severance pay and other possible compensations.

The remuneration of the CEO consists of fixed basic salary (including fringe benefits), life insurance, annual short-term incentive (STI), a personal share bonus related to the CEO contract and a long-term share-based incentive scheme (LTI). In addition, the CEO is entitled to participate in share-based incentive scheme for personnel. The share-based incentive schemes are described in more detail on the page Remuneration in the Investors section on the company's website.

The CEO is entitled to statutory pension. The retirement age of the CEO is defined in the statutory employee pension scheme.

The period of notice for the CEO contract is 6 months for both parties. If the company terminates the CEO contract, the CEO is under certain conditions entitled to a one-time payment corresponding to 12 months' monthly salary.

The remuneration earned by Samu Konttinen in 2024 was:

<b>Paid in 2024</b>	<b>EUR 1,000</b>	<b>Per cent of the maximum amount</b>
Fixed annual salary, including holiday pay and holiday bonus	328	-
Short-term incentive (STI) for 2023	0	0%
<b>Paid in 2025</b>		
Short-term incentive (STI) for 2024	107	49.1%
	<b>Shares</b>	<b>Per cent of the maximum number</b>
Share bonus personal restricted share plan (RSP) <sup>1</sup>	6,000	-
Long-term incentive scheme (LTI), the vesting period that started in 2022 and ended in 2024	2,794	26.2%
Share-based incentive scheme for the personnel 2022–2024, the vesting period that started in 2022 and ended in 2024 <sup>2</sup>	945	-

<sup>1</sup>An addendum to the CEO contract details a personal restricted share plan (RSP), under which the CEO has earned 6,000 shares in January 2025 and will have the opportunity to earn another 6,000 shares, at his option, either in December 2025 or January 2026.

<sup>2</sup>The share bonus is the gross number of shares before deduction of taxes. The actual number of shares delivered is lower, because a portion of the shares (corresponding to the tax liability) is withheld to cover income tax.

### **Short-term incentive (STI) bonus for 2024:**

The targets of the short-term incentive (STI) to be paid to the CEO for the financial year 2024 were based on Loihde Group's revenue (weight 30%) and adjusted EBITDA (weight 70%). The bonus was paid in March 2025. The short-term incentive (STI) paid to the CEO for 2024 is EUR 107,000 in total (98.3% of the target level and 49.1% of the maximum STI amount).

### **Long-term share-based incentive scheme (LTI), the 2022–2024 vesting period**

The criteria for the payment of the bonus were the targets set by the Board of Directors for the vesting period. The targets were based on Loihde Group's revenue (weight 40%) and adjusted EBITDA (weight 60%).