

REMUNERATION REPORT 2023

INTRODUCTION

This Remuneration Report is also available at noho.fi.

NoHo Partners Plc's Remuneration Policy sets out the principles and decision-making processes for the remuneration of the Board of Directors and the CEO and the key terms of the employment contract. The company's Remuneration Policy covers the Board of Directors and CEO of the Company.

In 2023, there were no deviations of the company's Remuneration Policy adopted by the Annual General Meeting 2020.

Remuneration pursuant to the Remuneration Policy is based on the following components:

- basic salary and employee benefits where the company complies with the local market practices, laws and regulations
- a short-term incentive scheme, the purpose of which is to guide the performance and achievement of objectives of individuals and the organisation
- a long-term reward scheme designed to engage key personnel. Long-term incentives aim to engage the management and align their interests with those of the company's shareholders.

DEVELOPMENT OF REMUNERATION IN RELATION TO THE ECONOMIC DEVELOPMENT OF THE COMPANY

The following table shows the evolution of the remuneration of the Board of Directors and the CEO compared to the development of the average remuneration of the Group's employees and the economic development of the Group for the previous five financial periods. According to the Company's Remuneration Policy, part of the CEO's remuneration consists of short- and long-term incentives that are related to the performance of the business.

Development of remuneration

EUR thousands	2023	2022	2021	2020	2019
Annual remuneration of the Board of Directors	206.3	150.0	150.0	134.0	93.5
Annual remuneration of the CEO	663.4	340.8	310.8	474.7	294.1
Average salary per person	38.8	34.9	29.7	33.8	34.2

The average salary development of an employee of the company is based on staff expenses, excluding associated personnel costs, divided by the average number of employees during the year.

Annual remuneration of the CEO includes 289,7 thousand euros of reward paid in 2023 for the earning period ending on 31 March 2023, half of which was paid in cash and half, a total of 18,229 shares in the company's new shares.

Financial development of the company

MEUR	2023	2022	2021	2020	2019
Group turnover	372.4	312.8	186.1	156.8	272.8
Group EBIT	35.9	31.6	-0.9	-23.9	30.6

REMUNERATION OF THE BOARD OF DIRECTORS

The Annual General Meeting decides on the remuneration of the Board members for one term of office at a time on the basis of a proposal submitted by the Nomination and Remuneration Committee. The resolution on the remuneration of Board members must be based on the remuneration policy that has been submitted to the Annual General Meeting and is currently valid.

The 2023 Annual General Meeting decided to pay a fee of EUR 60,000 (40,000) per year to the Chairman of the Board, EUR 45,000 (30,000) per year to the Vice-Chairman of the Board and EUR 30,000 (20,000) per year to the members of the Board. It was also decided that a separate remuneration per committee meeting will be paid to the persons elected to the committee as follows: to the Chairman EUR 1,000 (800) and to the members EUR 500 (400). In addition, the travel expenses of the members of the Board are reimbursed in accordance with the company's travel rules.

Remuneration paid to the members of the Board of Directors 2023

EUR thousands	Annual remuneration	Committee meeting fees	Other financial benefits	Total
Timo Laine, Chairman	55.0	2.2	117,6*	174.8
Yrjö Närhinen, Vice Chairman	41.3	4.4	11,1*	56.8
Kai Seikku, member	27.5	6.6	0.0	34.1
Petri Olkinuora, member	27.5	3.3	0.0	30.8
Mika Niemi, member	27.5	0.0	20,0*	47.5
Mia Ahlström, member	27.5	2.2	0.0	29.7
Total	206.3	18.7	148.7	373.7

* Consultant fee

The members of the Board of Directors are not involved in the company's share-based remuneration schemes, and the Board of Directors' fees are not paid in shares.

REMUNERATION OF THE CEO

The Board of Directors decides on the remuneration and key terms of employment of the CEO and Deputy CEO.

The short-term remuneration of the CEO and Deputy CEO comprises salary, employee benefits and performance-based remuneration determined on the basis of the Company's result and the achievement of other short-term objectives. The long-term remuneration of the CEO and Deputy CEO may also comprise share-based incentive schemes.

The ratio of fixed and variable remuneration components of the CEO's salary was 46/54 and of the Deputy CEO's salary 42/58 in the financial period.

Aku Vikström acts as the CEO and Jarno Suominen as the Deputy CEO.

FIXED SALARY COMPONENT

The fixed part of the remuneration of the CEO and the Deputy CEO consists of a monthly salary and benefits in kind. The CEO's fixed annual salary in 2023, including benefits in kind, was EUR 303.7 thousand. The Deputy CEO's fixed annual salary in 2023, including benefits in kind, was EUR 221.8 thousand.

SHORT-TERM PERFORMANCE BONUS

In 2023, the CEO was paid a performance reward of EUR 70 thousand and the Deputy CEO a performance reward of EUR 50 thousand for 2022.

For 2023, a short-term performance bonus of EUR 80 thousand is paid to the CEO and EUR 60 thousand to the Deputy CEO. Performance fees are due after the end of the financial period.

LONG-TERM REMUNERATION

The CEO and Deputy CEO are covered by the company's share-based incentive scheme. For the earning period ending on 31 March 2023, a total of 72,916 shares were paid to the CEO and 63,232 to the Deputy CEO, so that 50% of the reward was paid in shares and 50% in cash. Half of the reward was paid in May 2023 and half in March 2024.

The number of shares that can be earned by the CEO under the share-based incentive plan's fourth earning period, ending on 31 December 2024, is 74,000 shares.

The number of shares that can be earned by the Deputy CEO under the share-based incentive plan's fourth earning period, ending on 31 December 2024, is 64,000 shares.

The earning criteria for the fourth earning period are based on NoHo Partners Plc's relative profitability (EBIT margin) and total shareholder return. The share-based incentive scheme covers ten persons in the fourth earning period.