

Remuneration Report

2022

TAALERI

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1. Introduction

This remuneration report concerns the remuneration of Taaleri Plc's Board of Directors and the CEOs during the financial period 1 January - 31 December 2022 and is based on the recommendations of the Finnish Securities Market Association's Corporate Governance Code 2020 and the requirements of the Securities Markets Act and the Companies Act.

Remuneration of Taaleri Plc's governing bodies during the financial year 2022 has been implemented within the framework of the remuneration policy approved by Taaleri Plc's Annual General Meeting on 6 April 2022 and in accordance with its principles. There have been no deviations from the remuneration policy during the previous financial year. The fees paid have not been clawed back during the financial year 2022.

Rewarding governing bodies contributes to the achievement of the company's long-term financial goals by motivating members of the governing bodies to implement a business strategy and act in the interests of all the company's stakeholders. In addition, competitive remuneration enables the acquisition and commitment of capable management to the company, strengthening the continuity of operations.

Development of the company's financial result and remuneration

Development of the company's financial result during the previous five financial years (EUR million):

	2018	2019	2020	2021	2022
Turnover	72,5	67,2	69,4	72,6	61,0
Profit of the financial period	21,6	11,5	13,1	136,1	21,3

Five-year remuneration development (remuneration paid during the year, EUR):

Position	2018	2019	2020	2021	2022
Chairman of Board	50,000	50,000	53,000	58,500	56,004
Deputy Chairman of Board	36,000	36,000	36,000	41,000	47,000
Chairman of the Audit Committee	36,000	36,000	42,000	48,000	47,000 *1
Other Members of Board	30,000	30,000	30,000 + Possible meeting fees	35,000 + Possible meeting fees	35,000 + Possible meeting fees
The CEO(s)	Fixed annual earnings: 392,080 Variable fees: 133,468	Fixed annual earnings: 565,489 Variable fees: 166,800	Fixed annual earnings: 458,827 Variable fees: 272,549	Fixed annual earnings: 487,888 Variable fees: 1 662 732.34	Fixed annual earnings: 486,640 Variable fees: 854,732

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The Deputy CEO ²	Fixed annual earnings: 232,440	Fixed annual earnings: 233,400	Fixed annual earnings: 157,022	Fixed annual earnings: N/A	Fixed annual earnings: N/A
	Variable fees: 85,800	Variable fees: 70,200	Variable fees: 70,200	Variable fees: 143,188	Variable fees: 14,166
Employee ³					
Fixed Earning	80,387 36,963	82,303 13,947	74,748 15,689	82,332 36,411	84,897 32,563

1 In 2022, Hanna Maria Sievinen served as the vice-chairperson of the board and the chairperson of the audit committee.

2 The Deputy CEO left his position on 13 August 2020, since then the Company has not had a Deputy CEO.

3 Fixed and variable personnel costs in 2022 (excluding social costs) divided by the average annual number of personnel.

According to the remuneration policy, part of the remuneration of the CEO (and his deputy) consists of variable remuneration, i.e. short-term and long-term incentives, which are determined by the achievement of quantitative or qualitative targets or the development of Taaleri Plc's share price. Quantitative targets can be, for example, the company's financial and profitable performance. Achieving quantitative targets promotes the company's business strategy and long-term financial interests by setting financial targets so that achieving them creates value in the long term, for example through dividends paid to shareholders and the development of the company's value. Consequently, the company's financial development and the remuneration of the CEO and his deputy are interlinked.

2. Remuneration of the Board of Directors for the previous financial year

Fees Paid

Remuneration paid to the members of the Board of Directors during the financial year 2022 (EUR):

Member's name	Annual Fees	Meeting Fees	Other financial benefits	Total Fees
Juhani Elomaa	55,000	500	504 (phone benefit)	56,004
Hanna Maria Sievinen	41,000	6,000		47,000
Elina Björklund	35,000			35,000
Petri Castrén	35,000	3,000		38,000
Tuomas Syrjänen	35,000			35,000
Jouni Takakarhu	35,000	2,500		37,500

3. Remuneration of the CEO for the previous financial year

According to the remuneration policy, the remuneration of the CEO (and his deputy) may consist of fixed remuneration, variable remuneration and other financial benefits. Fixed remuneration is all financial

benefits the amount of which is known in advance to the parties, such as annual salary and fringe benefits. The variable remuneration may be determined based on the achievement of quantitative or qualitative targets or the development of Taaleri Plc's share price and includes an annual performance bonus and a long-term share-based incentive plan.

The CEO

Remuneration of the CEO in 2022 (EUR):

	Fixed Annual Salary with Fringe Benefits	Annual Performance Bonus 2021	Total Fees
Peter Ramsay	486,640	0	486,640

Fixed Annual Earnings

The CEO's fixed annual salary in the financial year 2022 was EUR 486,640, of which EUR 10,000 per month is paid directly to the group pension insurance, i.e. a total of EUR 120,000 per year. The CEO's taxable fringe benefits were 833 euros in 2022.

Annual Performance Bonus

The CEO was not paid performance bonuses in 2022.

Long-term share-based payment plan – former CEO Robin Lindahl

On 19 June 2019, Taaleri Plc's Board of Directors decided to introduce a share-based incentive plan for the company's CEO of that time Robin Lindahl. The purpose of the plan was to combine the goals of the owners and the CEO to increase the company's value in the long term, and to commit the CEO to implementing the company's strategy and offering him a competitive reward system based on the acquisition, earning and accumulation of the company's shares. The CEO had to acquire at least EUR 200,000 of the company's shares in the plan. The share-based incentive plan was a non-recurring five-year plan. The earning period of the plan was 1 June 2019 – 15 June 2024. This period included three measurement periods starting at the beginning of the earning period and ending on 15 September in 2022, 2023 and 2024. The potential reward of the plan was based on the total return per share (TSR) of Taaleri Plc. The reward of the plan corresponded to a maximum total value of 249,000 Taaleri Plc' shares, including the part to be paid in cash. The reward would have been paid based on the achievement of the TSR targets within four years of the end of each measurement period in four instalments. The reward would have been paid partly in company shares and partly in cash. The CEO at the time should have owned the net shares paid to him under the plan until his total shareholding in the company corresponds to the value of his gross annual salary. This number of shares should have been owned for as long as the CEO's employment with the company continues.

As Robin Lindahl's CEO Agreement ended on 25 October 2021, he was paid the first instalment of the abovementioned share-based incentive plan in November 2021. The second part of the above-mentioned share bonus system was paid in November 2022, and the part paid in the 2022 financial year was EUR 854,732. By a

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separate decision of the Board of Directors, Lindahl did not have to purchase Taaleri Plc's shares for a net amount.

Stock option scheme – current CEO Peter Ramsay

Taaleri Plc's board of directors decided on 6 April 2022 to introduce an option program aimed at the group's CEO. The purpose of the option program is to encourage the CEO to work long-term to increase shareholder value. Option rights also aim to bind the CEO to the company. Obtaining the option rights required that the CEO acquire Taaleri Oyj shares in the system for at least 400,000 euros during spring 2022. In 2022, a total of 300,000 stock options 2022 were granted, and they entitle to subscribe for a maximum of the same number of new or existing shares of the company. Option rights are granted free of charge. Of the stock options, 100,000 are marked with code 2022A, 100,000 are marked with code 2022B and 100,000 are marked with code 2022C. The subscription period for shares subscribed with options is for option right 2022A 1.2.2025–31.1.2026, for option right 2022B 1.2.2026–31.1.2027 and for option right 2022C 1.2.2027–31.1.2028. The CEO must hold all the acquired Taaleri Plc shares with option rights 2022C until the start of the subscription period for significant shares. If the CEO sells his investment shares, he loses his option rights for each type of option in the same proportion as he sells his investment shares, to the extent that the subscription period for shares subject to option rights has not started.

The Deputy CEO

Karri Haaparinne served as the company's Deputy CEO until 13 August 2020, after which the company has not had a Deputy CEO.

Remuneration of the Deputy CEO in 2022 (EUR):

	Fixed Annual Salary with Taxable Fringe Benefits	Deferred performance bonus for 2020	Share-based incentive payment from the year 2022	Total Fees
Deputy CEO	0	14,166	0	14,166

Fixed Annual Earnings

Karri Haaparinne no longer served as Deputy CEO in the financial year 2022, so he was not paid a fixed annual salary.

Annual Performance Bonus

In 2022, the deputy CEO was paid a total of 14,166 euros in deferred performance bonus in cash. The performance bonus was based on the year 2020 and the achievement of the financial goals set by the board.

Long-term share-based payment plan

The deputy CEO was no longer involved in the company's long-term incentive system in the 2022 financial year.