

# REMUNERATION REPORT

MAKING THE WORLD SAFER,  
OVER AND OVER AGAIN

Romania factory production team members



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WE DON'T SIMPLY  
MAKE TIRES, WE  
MAKE SAFETY

# Remuneration Report 2024

## People and Sustainability Committee – Chair's greeting

In 2024, the focus at Nokian Tyres was on taking concrete steps toward the EUR two billion net sales target. During the year, the new factory in Romania reached the planned milestones on time and within budget. In North America, the investment phase at the US factory was completed. The foundation for Nokian Tyres' growth and improving profitability has now been established. These achievements have required a tremendous amount of teamwork and resilience from the entire Nokian Tyres team.

From a remuneration point of view, the year 2024 was demanding as the tire market continued to be weak and consumers were cautious about spending. The global economic uncertainties and challenges in the operating environment were reflected in Nokian Tyres' financial results. This impacted on the achievement of both short-term and long-term incentive goals, resulting in low outcomes of both rewards in accordance to the performance-based remuneration model.

The Annual General Meeting held in spring 2024 adopted the renewed Nokian Tyres Remuneration Policy. The Policy aims to support the company in achieving its short-term and long-term strategic targets, strengthen sustainable development, and foster employee commitment to Nokian Tyres.

The Remuneration Policy was followed throughout 2024 with one exception. This exception was related to the long-term programs that were implemented in 2023 and that continued in 2024 with a two-year performance period and a one-year vesting period instead of a three-year performance period. The long-term incentive plan targets were included a 10 percent weighting for sustainability, which was measured by the reduction of direct CO<sub>2</sub> emissions.

During 2024, the People and Sustainability Committee focused on personnel matters to monitor the progress of strategy via set performance targets. In 2025, the committee will continue to ensure that the remuneration decisions are aligned with and support the company's progress toward a growth phase and EUR two billion net sales in the long term.

Nokian Tyres' President and CEO Jukka Moisio retired from his position at the end of 2024. The new President and CEO Paolo Pompei joined the company at the beginning of 2025. On behalf of the People and Sustainability Committee, I wish Jukka all the best in his future endeavors and welcome Paolo to continue leading Nokian Tyres' success.

## ELINA BJÖRKLUND

Chair of the People and Sustainability Committee  
of Nokian Tyres Board of Directors



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**NOKIAN TYRES' REMUNERATION POLICY AND INCENTIVE SYSTEM SUPPORT THE COMPANY'S STRATEGY AND BUILDING GROWTH AT NOKIAN TYRES.**

## Introduction

This remuneration report (the “**Remuneration Report**”) describes the implementation of the remuneration policy (the “**Remuneration Policy**”) of Nokian Tyres plc (the “company” or “**Nokian Tyres**”) for the financial year 2024. The Remuneration Policy was presented to and adopted by an advisory resolution in the 2024 Annual General Meeting and shall be applied until the 2028 Annual General Meeting unless a revised policy is presented to the General Meeting before this.

The Remuneration Policy describes:

- the remuneration of the Board of Directors and the President and CEO
- the considerations of determining the policy
- practical implementation of the policy.

The Remuneration Policy can be found at [company.nokiantyres.com/investors/corporate-governance/salaries-and-remunerations](http://company.nokiantyres.com/investors/corporate-governance/salaries-and-remunerations).

This Remuneration Report provides more detailed information on the development of Nokian Tyres’ remuneration, as well as on certain strategic indicators and the implementation of the Remuneration Policy in the financial year 2024.

The Remuneration Report is prepared in accordance with the Securities Market Association’s Corporate Governance Code 2025 and the applicable legislation. The 2024 Annual General Meeting resolved to adopt the company’s Remuneration Report 2023 through an advisory resolution, supported by approximately 73 percent of the votes cast at the 2024 Annual General Meeting.

## Development of Nokian Tyres performance and remuneration

Nokian Tyres’ net sales for the financial year 2024 grew by 9.9% and were EUR 1,289.8 million, and the segments operating profit was EUR 71.4 million (2023: 65.1 million). Remuneration follows the realization of the company’s financial results and remained at a low level in 2024, similar to the previous year. The focus of remuneration in 2024 was on committing key personnel to achieve the set targets and ensure the strategy’s implementation, including the timely completion of building the Romanian factory, and to achieve common goals as one organization. These achievements during 2024 ensure continuity in the coming years to increase the company’s growth and profitability.

The table shows as an index comparison the development of the remuneration of the Board of Directors, the CEO, and employees during the previous five financial years.

## Remuneration 2020–2024

| Remuneration index   | 2024 | 2023 | 2022 | 2021 | 2020 |
|--|------|------|------|------|------|
| Total Board remuneration – Average annual fee paid to Board members <sup>1</sup> | 113% | 106% | 109% | 95%  | 100% |
| President and CEO salaries and financial benefits                                | 43%  | 75%  | 79%  | 61%  | 100% |
| Average salary cost per employee <sup>2</sup>                                    | 144% | 134% | 146% | 119% | 100% |

<sup>1</sup>**Total Board remuneration – Average annual fee paid to Board members** calculated by dividing total amount of fees paid to Board members each financial year, by the number of the Board members (2020: 8 Board members, 2021–2024: 9 Board members) and excluding fees paid to Board members leaving during following term. Further details in section “Remuneration and financial development between 2020–2024”.

<sup>2</sup>**Average cost per employee** is calculated by dividing the total amount of salaries, incentives, and other related employee costs for the corresponding financial year by the average number of employees during each financial year.

The goal of the Remuneration Policy is to support Nokian Tyres in achieving its short- and long-term strategic goals, strengthen sustainable development, and foster personnel commitment to Nokian Tyres.

Short-term incentive program is one element in the total rewards package. No changes were made to the Nokian Tyres’ short-term incentive plan in 2024.

Long-term incentives are a part of Nokian Tyres’ key employee incentive and retention program designed to align the goals of the company’s key personnel with the company’s shareholders to increase the value of the company in the long term, to commit key personnel to the company and its strategic goals, and to offer a competitive reward for key personnel. Nokian Tyres has two annually commencing long-term share-based incentive plans decided by the Board of Directors: The Performance Share Plan and the Restricted Share Plan. In February 2024, the Board of Directors decided to continue both incentive plans with new performance periods starting 2024 **for the following three-year period**.

The Performance Share Plan is the company’s most important long-term incentive scheme, the objectives of which are measured by EBITDA, increase in passenger car tire production volume and reduction in direct CO<sub>2</sub> emissions. The performance period is 2024–2025, with one year retention period when the possible payout will be in the spring of 2027.

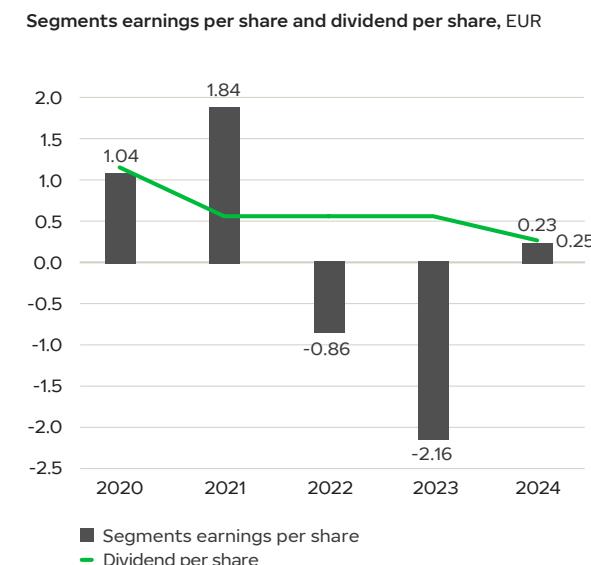
Nokian Tyres Restricted Share Plan serves as a complementary long-term incentive tool, used selectively for retention of Nokian Tyres key employees. The Restricted Share Plan consists of a three-year retention period, after which the share awards granted within the plan will be paid to the participants. A precondition for the payment of the share reward based on the Restricted Share Plan is that the employment relationship of a participant with Nokian Tyres continues until the payment date of the award. In addition to this precondition, a financial performance criterion is applied to Nokian Tyres Management Team, including the President and CEO, with the aim of aligning the interests of the President and CEO and shareholders related to the company’s financial development.

In February 2023, the Board of Directors decided to change the financial performance criterion from ROCE (return on capital employed) to segments ROCE. The segments ROCE is applicable in 2021–2023, 2022–2024, 2023–2025 plans, as well in the 2024 Restricted Share Plan with the restriction period of 2024–2026.



Figures for 2021 and earlier years have not been restated and include Russia.

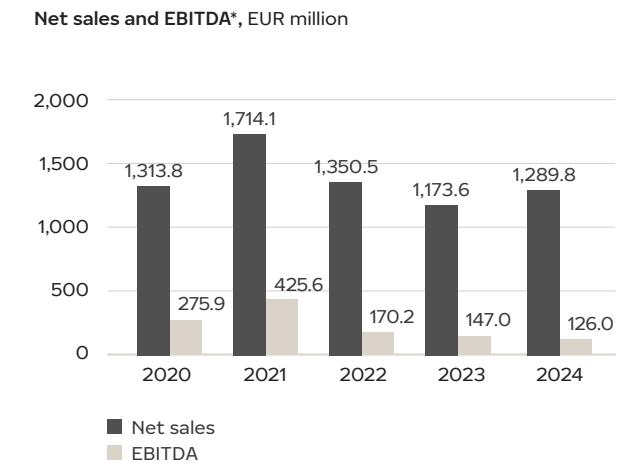
The three-year restriction period of the Restricted Share Plan 2021–2023 ended at the end of the financial year 2023. In the share-based incentive plan, the financial threshold set for the President and CEO and the members of the Management Team for the segments ROCE was reached. The rewards to be paid corresponded to a total of 4,600 gross Nokian Tyres plc shares, of which no gross shares were directed to the President and CEO. The share reward was paid in March 2024.



\*The Board's proposal to the Annual General Meeting.

Figures for 2021 and earlier years have not been restated and include Russia.

During the financial year 2024, Nokian Tyres temporarily deviated from the approved Remuneration Policy by applying a two-year performance period and a one-year retention period in the Performance Share Plan 2023–2024 and 2024–2025. Apart from this deviation, the remuneration of the President and CEO followed the Remuneration Policy in 2024.



\*Depreciations and Amortizations (DA) in EBITDA includes impairments from 2020 onward.

Figures for 2021 and earlier years have not been restated and include Russia.

## Remuneration of the Board of Directors 2024

Nokian Tyres 2024 Annual General Meeting decided the following annual fees to be paid to the Board of Directors serving during the financial year 2024:

**Chair of the Board:** A fee of 115,000 euros per year.

**Deputy Chair and Chairs of the Audit Committee, Investment Committee and People and Sustainability Committee:** A fee of 76,000 euros per year.

**Other members of the Board:** A fee of 53,500 euros per year.

For each Board and Board Committee meeting, the fee is 700 euros. For Board members resident in Europe, the fee for each meeting outside a member's home country within Europe is doubled, and for each meeting outside Europe, the fee is tripled. For Board members resident outside Europe, the fee for each meeting outside a member's home country is tripled. If a member participates in a meeting via telephone or video connection, the remuneration is 700 euros. Travel expenses are compensated in accordance with the company's travel policy.

| Board member          | Position on the Board  | Annual fixed fee (EUR) <sup>1</sup> | Board meeting fees (EUR) | Committee meeting fees (EUR) | Total fees (EUR) | Shares acquired with fixed annual fee (number of shares) |
|-----------------------|--|-------------------------------------|--------------------------|------------------------------|------------------|--|
| Jukka Hienonen        | Chair of the Board / Member of the People and Sustainability Committee               | 115,000                             | 9,100                    | 3,500                        | 127,600          | 5,700  |
| Pekka Vauramo         | Deputy Chair / Member of the Investment Committee                                    | 76,000                              | 9,100                    | 3,500                        | 88,600           | 3,767  |
| Elina Björklund       | Board member / Chair of the People and Sustainability Committee (as of Apr 30, 2024) | 76,000                              | 7,000                    | 2,800                        | 85,800           | 3,767  |
| Susanne Hahn          | Board member / Member of People and Sustainability Committee                         | 53,500                              | 12,600                   | 4,200                        | 70,300           | 2,651  |
| Markus Korsten        | Board member / Member of the Investment Committee                                    | 53,500                              | 13,300                   | 2,800                        | 69,600           | 2,651  |
| Veronica Lindholm     | Board member / Chair of the People and Sustainability Committee (until Apr 30, 2024) | –                                   | 2,800                    | 700                          | 3,500            | –  |
| Elisa Markkula        | Board member / Member of the Audit Committee (as of Apr 30, 2024)                    | 53,500                              | 7,000                    | 2,100                        | 62,600           | 2,651  |
| Christopher Ostrander | Board member / Chair of the Investment Committee                                     | 76,000                              | 15,400                   | 4,200                        | 95,600           | 3,767  |
| Jouko Pöölönen        | Board member / Chair of the Audit Committee  | 76,000                              | 9,100                    | 3,500                        | 88,600           | 3,767  |
| George Rietbergen     | Board member (until Apr 30, 2024)  | –                                   | 3,500                    | –                            | 3,500            | –  |
| Reima Rytölä          | Board member / Member of the Audit Committee   | 53,500                              | 9,100                    | 3,500                        | 66,100           | 2,651  |

<sup>1</sup>60 percent of the annual fixed fee was paid in cash and 40 percent in company shares. Management transaction stock exchange releases regarding the share acquisitions published on April 30, 2024. The company paid asset transfer taxes arising from the acquisition of shares.

## President and CEO Jukka Moisio's remuneration

The remuneration of the President and CEO is decided by the Board of Directors. The People and Sustainability Committee prepares proposals for the salaries, benefits, and short-term and long-term incentives of the President and CEO for the decision by the Board of Directors. The President and CEO Jukka Moisio worked in the company until the end of 2024.

## Short-term incentive plans

The President and CEO was entitled to short-term incentives as described in the Remuneration Policy. The target opportunity of incentive plan is 50 percent of the annual base salary, with the maximum opportunity of 100 percent of the annual base salary. The performance period is typically one year unless decided otherwise by the Board of Directors. The possible reward is paid out in the first half of the year following the performance period.

In accordance with the decision of the Board of Directors, the performance criteria for the President and CEO Jukka Moisio's short-term incentives for the performance period of the financial year 2024 were Nokian Tyres' segments operating profit with a weight of 60 percent and Nokian Tyres' net sales with a weight of 40 percent, in total 100 percent target weight.

The short-term incentive outcome based on target setting on scale 0–100–200 percent 2024 was as follows:

- 60 percent weight; Nokian Tyres' segments operating profit. Target level achievement was set to EUR 116 million. The outcome was 0 percent of target.
- 40 percent weight; Nokian Tyres' net sales. Target level achievement was set to EUR 1,473 million. The outcome was 0 percent of target.

Total short-term incentive outcome 2024 was 0 percent.

Payable outcome resulted with EUR 0.00.

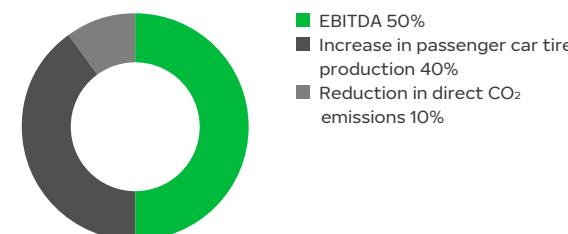
## Long-term incentive plans

The President and CEO's long-term incentives (LTI) consist of share incentive plans. The value of the performance-based LTI payout is capped at 250 percent of the annual base salary, and the annual target amount is 125 percent of the annual base salary.

### Performance Share Plan 2024–2025

The President and CEO Jukka Moisio was granted 122,280 performance-based shares from the performance period 2024–2025 of Nokian Tyres Performance Share Plan 2023–2027. The possible reward will be based on separate Board of Directors approval and pro rata calculation, and it will be paid during the first half of the financial year 2027 after a one-year retention period in case the targets set by the Board of Directors for the performance period 2024–2025 will be met. The targets set for the performance period 2024–2025 of the Nokian Tyres Performance Share Plan 2023–2027 are divided as follows:

### LTI criteria 2024–2025 weights, %



The potential share rewards will be paid partly in shares of Nokian Tyres and partly in cash. The cash portion of the reward is intended to cover the taxes arising from the paid reward.

The President and CEO Jukka Moisio was not granted restricted shares during the financial year 2024.

### Performance Share Plan 2022–2024

The performance measure for the Performance Share Plan 2022–2024 was based on segments earnings per share (EPS) and segments return on capital employed (ROCE), both with an equal weight of 50 percent. Both targets did not meet the minimum level and therefore no payments will be conducted to the President and CEO Jukka Moisio.

### Performance Share Plan 2023–2024 payout in spring 2026

The two-year performance period of the Performance Share Plan 2023–2024 ended after the financial year 2024. The rewards from the performance period 2023–2024 are based on cumulative EBITDA weight of 50 percent, increase in passenger car tire production volume weight of 40 percent and reduction in direct CO<sub>2</sub> emissions weight of 10 percent. The reduction in direct CO<sub>2</sub> emissions with 10 percent weight was achieved at maximum level and the other targets were not met. The combined achievement of the set targets was thereby 20 percent. The reward calculation and share grant for Jukka Moisio during the spring 2026.

## Active Long-term incentive plans and shares granted to the President and CEO Jukka Moisio

| Long-term incentive plan and performance period | Gross shares granted | Maximum gross share award <sup>1</sup> | Performance criteria   | Result <sup>2</sup> | Pay-out of possible reward |
|---|----------------------|--|--|---------------------|----------------------------|
| Performance share plan 2022–2024                | 27,680               | 55,360                                 | Segments ROCE (50% weight)<br>Segments EPS (50% weight)  | 0%<br>0%            | H1/2025                    |
| Performance share plan 2023–2024                | 90,882               | 181,764                                | EBITDA (50% weight), increase in passenger car tire production volume (40% weight) and reduction in direct CO <sub>2</sub> emissions (10% weight).<br>Trigger for payout: the Romanian factory is up and running by the end of 2024. | 0%, 0%<br>20%       | H1/2026                    |
| Achievement of set targets                      | 100%                 | 200%                                   |  |                     |                            |

<sup>1</sup>The potential share rewards will be paid partly in shares of Nokian Tyres plc and partly in cash. Gross shares are the amount of shares earned, based on performance against set targets and used to calculate the cash proportion.

Actual shares delivered = net shares. Cash portion of the reward is intended to cover the taxes arising from the paid reward. <sup>2</sup>Target achievement is 100 percent, maximum 200 percent.

## Remuneration of the President and CEO 2024, EUR

| President and CEO | Fixed annual salary (incl. holiday compensation) | Monthly base salary | Paid salary during financial year 2024 (incl. holiday compensation and mobile phone benefit) | Paid performance-based bonuses (based on year 2023) | Due performance-based bonuses (based on year 2024) <sup>1</sup> | Total value of awarded share-based bonus | Supplementary pension contribution | Severance payment | Total fees paid during financial year 2024 |
|-------------------|--|---------------------|--|---|---|--|------------------------------------|-------------------|--|
| Jukka Moisio      | 817,614  | 64,890              | 817,854  | 0   | 0   | 0  | –                                  | –                 | 817,854                                    |

<sup>1</sup>Due performance-based bonuses (based on year 2024) will be paid during the financial year 2025.

### Short-term incentive opportunities as of annual base salary

| Target | Max  |
|--------|------|
| 50%    | 100% |

### Performance share plan long-term incentives as of annual base salary<sup>1</sup>

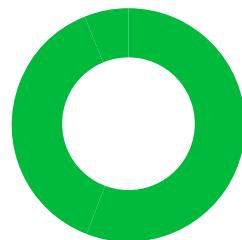
| Target | Max  |
|--------|------|
| 125%   | 250% |

<sup>1</sup>Nokian Tyres may in addition offer restricted share plans for the President and CEO in situations like new hire and retention, at the Board's discretion.

Based on the Board of Directors' decision, the President and CEO Jukka Moisio's salary was not increased during the financial year 2024, and the monthly base salary was thereby 64,890 euros.

The President and CEO Jukka Moisio had a company-paid mobile phone benefit, with a value of 20 euros per month or 240 euros per annum. Fixed annual salary including holiday compensation is calculated by multiplying the monthly base salary 64,890 euros by 12.6 percent.

**Remuneration of the President and CEO:  
2024 actual paid salary and variable elements, %**



- Base salary\* 100%
- Short-term incentive 0%
- Long-term incentive 0%

Pension and benefits excluded.

\*Holiday compensation included.

## Pension and information regarding the termination of the employment of the President and CEO Jukka Moisio

The pension and information regarding the termination of the employment of the President and CEO Jukka Moisio was defined as follows:

The pension accumulation and retirement age of the President and CEO are determined by the practices and terms of the applicable law in the home country of the President and CEO. An additional defined contribution pension plan that corresponds to the relevant local market can be arranged by the company. The President and CEO Jukka Moisio does not have a company-paid supplementary pension arrangement. The retirement age and the pension are determined in accordance with the Employees Pensions Act.

The President and CEO's period of notice is 6 months. If the agreement is terminated by the company, the President and CEO is entitled to compensation corresponding to 12 months' salary and other benefits in addition to the notice period's salary.

## Malus and clawback

Based on the terms and conditions of the incentive plans, if the President and CEO receives a reward based on the remuneration scheme that subsequently turns out to be incorrectly paid due to intent or negligence by the President and CEO, Nokian Tyres has the right to retroactively restate the amount and reclaim the excess part of the rewards paid from the short- and long-term incentives pursuant to rules regarding unjust enrichment.

The short- and long-term remuneration schemes are discretionary in nature and do not form part of the terms and conditions of the service contract of the President and CEO, and the Board of Directors shall decide on the implementation of the schemes and their terms and conditions at any time.

Nokian Tyres did not exercise any malus or clawback rights during the financial year 2024.

## Remuneration and financial development 2020–2024

|   | 2024    | 2023      | 2022      | 2021      | 2020      |
|---|---------|-----------|-----------|-----------|-----------|
| <b>Board remuneration, total pay EUR</b>                |         |           |           |           |           |
| Jukka Hienonen  | 127,600 | 121,900   | 126,100   | 112,700   | 105,800   |
| Pekka Vauramo   | 88,600  | 86,900    | 90,400    | 82,000    | 63,100    |
| Elina Björklund (as of Apr 30, 2024)                    | 85,800  |           |           |           |           |
| Susanne Hahn  | 70,300  | 67,200    | 61,600    | –         | –         |
| Markus Korsten  | 69,600  | 62,300    | –         | –         | –         |
| Veronica Lindholm (until Apr 30, 2024)                  | 3,500   | 86,900    | 91,100    | 60,200    | 65,500    |
| Elisa Markkula (as of Apr 30, 2024)                     | 62,600  | –         | –         | –         | –         |
| Christopher Ostrander                                   | 95,600  | 72,800    | 68,600    | 57,700    | –         |
| Jouko Pöllönen  | 88,600  | 86,900    | 90,400    | 59,100    | –         |
| George Rietbergen (until Apr 30, 2024)                  | 3,500   | 64,400    | 67,200    | 57,500    | 60,100    |
| Reima Rytösölä  | 66,100  | 60,900    | –         | –         | –         |
| Heikki Allonen (until Apr 26, 2023)                     | –       | 4,200     | 67,200    | 60,900    | 63,100    |
| Inka Mero (until Apr 26, 2023)                          | –       | 4,200     | 67,900    | 60,900    | 63,100    |
| Raimo Lind  | –       | –         | 5,600     | 83,400    | 85,600    |
| Kari Jordan   | –       | –         | –         | 1,800     | 87,400    |
| Petteri Walldén   | –       | –         | –         | –         | 6,600     |
| Total (excl. fees paid to leaving members) <sup>1</sup> | 754,800 | 710,200   | 730,500   | 634,400   | 593,700   |
| Board size, number of members                           | 9       | 9         | 9         | 9         | 8         |
| Average total pay per member <sup>1</sup>               | 83,867  | 78,911    | 81,167    | 70,489    | 74,213    |
| Index   | 113.0%  | 106.3%    | 109.4%    | 95.0%     | 100.0%    |
| <b>President and CEO, total pay EUR</b>                 |         |           |           |           |           |
| Jukka Moisio May 27, 2020–Dec 31, 2024                  | 817,854 | 1,421,075 | 1,502,304 | 1,157,960 | 429,611   |
| Hille Korhonen Jun 1, 2017–May 26, 2020                 | –       | –         | –         | –         | 1,472,192 |
| Total   | 817,854 | 1,421,075 | 1,502,304 | 1,157,960 | 1,901,803 |
| Index   | 43.0%   | 74.7%     | 79.0%     | 60.9%     | 100%      |

|  | 2024   | 2023    | 2022*   | 2021   | 2020   |
|--|--------|---------|---------|--------|--------|
| <b>Employee remuneration, average EUR</b>                  |        |         |         |        |        |
| Salaries, incentives, and other related costs, EUR million | 256.3  | 232.2   | 237.5   | 270.7  | 224.7  |
| Group employees on average during financial year           | 3,850  | 3,754   | 3,517   | 4,941  | 4,859  |
| Average per year, k EUR                                    | 66.57  | 61.83   | 67.53   | 54.79  | 46.24  |
| Index  | 144.0% | 133.7%  | 146.0%  | 118.5% | 100.0% |
| <b>Financial development 2020–2024</b>                     |        |         |         |        |        |
| Operating profit, EUR million                              | 1.8    | 32.1    | 56.7    | 268.2  | 120.0  |
| Segments operating profit, EUR million                     | 71.4   | 65.1    | 17.8    | 324.8  | 190.2  |
| Index  | 1.5%   | 26.8%   | 47.3%   | 223.5% | 100.0% |
| EPS, EUR   | -0.17  | -2.36   | -1.27   | 1.49   | 0.62   |
| Segments EPS, EUR  | 0.23   | -2.16   | -0.86   | 1.84   | 1.04   |
| Index  | -24.7% | -360.8% | -204.8% | 240.3% | 100.0% |
| ROCE, %  | 0.5%   | 2.2%    | 3.1%    | 13.7%  | 6.0%   |
| Segments ROCE, %   | 3.9%   | 4.0%    | 1.0%    | 15.8%  | 9.3%   |
| Index  | 8.3%   | 36.7%   | 51.7%   | 228.3% | 100.0% |

<sup>1</sup>Total Board remuneration – Average annual fee paid to Board members calculated by dividing total amount of fees paid to Board members each financial year, by the number of the Board members (2020: 8 Board members, 2021–2024: 9 Board members) and excluding fees paid to Board members leaving during following term.

\*Year 2022 excluding discontinued operations.



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