



Pihlajalinna establishes a new long-term share-based incentive plan for key employees

Pihlajalinna Plc

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The Board of Directors of Pihlajalinna Plc has resolved to establish a new long-term share-based incentive plan for key employees of the Group. The purpose of the plan is to align the interests of the company's shareholders and key employees to increase the company's value in the long-term. The purpose is also to commit key employees to implement the company's strategy, objectives and long-term interest and to offer them a competitive incentive plan based on earning and accumulating the company's shares. The plan will replace Pihlajalinna's current share-based incentive plan, and the last performance period 2025 of the current plan will not be launched.

The Performance Share Plan 2025–2029 consists of three performance periods, covering the financial years 2025–2027, 2026–2028 and 2027–2029 respectively. The Board of Directors will resolve annually on the commencement and details of a performance period.

The target group in the performance period 2025–2027 consists of approximately 30 key employees, including the members of the Group Management Team and the CEO. The performance criteria of the performance period 2025–2027 are tied to Relative Total Shareholder Value, Growth Rate, Return on Capital Employed and rate of sickness related absences.

Earning of the incentive plan

In the incentive plan, the target group has an opportunity to earn Pihlajalinna's shares based on performance. The potential rewards from the plan will be paid within five months after the end of each performance period.

The value of the rewards to be paid on the basis of the plan corresponds to a maximum total of 553,000 shares of Pihlajalinna, including also the proportion to be paid in cash. The potential rewards will be paid partly in Pihlajalinna's shares and partly in cash. The cash proportion of the reward is intended to cover taxes and statutory social security contributions arising from the reward to the key employee. As a rule, no reward will be paid if the key employee's employment or director contract terminates before the reward payment.

The Group Management Team members must hold 50 per cent of the received shares, until the value of the Group Management Team member's total shareholding in Pihlajalinna equals to 50 per cent of their annual base salary for the calendar year preceding the payment of the reward. The CEO must hold 50 per cent of the received shares, until the value of their total shareholding in Pihlajalinna equals to their annual base salary for the calendar year preceding the payment of the reward. This number of shares must be held as long as the position as the CEO or the membership in the Group Management Team continues.

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Pihlajalinna in brief

Pihlajalinna is one of the leading providers of private healthcare and social services in Finland. The Group provides comprehensive and quality private clinic and hospital services as well as occupational healthcare and insurance cooperation services. To the wellbeing services counties Pihlajalinna offers social and healthcare service production models, in which the cooperation between the public and private sectors guarantees effective services for citizens. Approximately 7,000 employees and 2,200 practitioners work at Pihlajalinna. In 2023, Pihlajalinna's revenue was 720 million euros. Pihlajalinna's shares are listed on Nasdaq Helsinki Oy. Read more www.pihlajalinna.fi.