



# Remuneration Report 2024

## Tokmanni Group Corporation Remuneration Report 2024

The Tokmanni Group Corporation (hereinafter also Tokmanni Group, company or Group) Remuneration Report for the governing bodies complies with applicable legislation and the Finnish Corporate Governance Code issued by the Securities Market Association, which entered into force on 1 January 2025. This Remuneration Report provides information on the remuneration of the members of Tokmanni Group's Board of Directors as well as Group CEO and Deputy CEO in 2024.

The Remuneration Policy was reviewed at the Annual General Meeting held on 7 May 2020, which resolved to adopt the proposed Remuneration Policy. The Board of Directors decided to update the Tokmanni Group's Remuneration Policy in 2024, and an updated version was published on 22 March 2024. The numerical limits on the variable remuneration of the Group CEO were removed in the update. In addition, the specifications of the long-term incentive scheme and the pension benefits were revised and a recommendation on shareholding was added. The changes were made to allow the Board of Directors sufficient discretion and flexibility to consider changes in the company's operating and competitive environment and in the remuneration policies of relevant peer companies in the best interests of the company when deciding on the remuneration package and components of executive remuneration. The updated Remuneration Policy and Remuneration Report were presented to the Annual General Meeting on 23 April 2024, without an advisory vote.

In accordance with the Remuneration Policy, the Tokmanni Group Corporation's People and Sustainability Committee is responsible for preparing and drafting the Remuneration Policy. Tokmanni Group's Board of Directors approves the Remuneration Policy for the company's governing bodies and the Remuneration Report, which are presented to the Annual General Meeting. Tokmanni Group's Annual General Meeting annually resolves on the remuneration of the members of the Board of Directors on the basis of a proposal prepared by the Shareholders' Nomination Board. The company's governing bodies are remunerated within the limits of the Remuneration Policy presented to the Annual General Meeting.

Tokmanni Group Corporation's auditor, PricewaterhouseCoopers Oy, has audited this Remuneration Report to ensure that it provides the necessary information.

The Remuneration Policy and Report are available on Tokmanni Group's website.

### The key principles of remuneration

At Tokmanni Group, remuneration is not only compensation for the input received by the company but also a key incentive used to guide and motivate the company's employees. Responsible remuneration is used to engage personnel with the company, supporting the continuity and sustainable long-term financial success of the business. Well-functioning and competitive remuneration is an essential tool for recruiting competent employees to the company, retaining them and motivating them to contribute to the Group's success.

The earning potential based on the variable remuneration, including long-term remuneration, of the Group CEO and the Deputy CEO is set at a competitive level in line with the market. In line with prevailing market practice, the higher a person's position in the organisation, the greater the proportion of variable remuneration of

the total earning potential under the company's policy of variable remuneration. This follows the principle of performance-based pay, where incentive schemes, including short-term remuneration, do not include any guaranteed minimum bonus. If performance is good or excellent according to incentive scheme indicators, incentive bonuses can play a significant role in the overall remuneration of the Group CEO and the Executive Group. Earning potential based on the short-term remuneration scheme may be limited to a maximum amount set by the Board of Directors.

The remuneration paid to Board members must be sufficiently competitive to enable the recruitment of competent members to the Board of Directors of the Tokmanni Group. In the company, the remuneration of the members of the Board of Directors is organised separately from the remuneration systems applicable to the Group CEO, Deputy CEO, Executive Group and personnel. Tokmanni Group's Annual General Meeting resolves on the remuneration of the Chair and members of the Board of Directors and of the Board committees annually on the basis of a proposal prepared by the Shareholders' Nomination Board. In addition, the Annual General Meeting — or the Board of Directors pursuant to an authorisation from the Annual General Meeting — makes decisions concerning the possible distribution of shares, options or other special rights entitling to shares as part of remuneration.

## Short-term remuneration

The Board of Directors determines the terms of the Group's performance-related bonus each year. These short-term performance bonuses are typically paid quarterly and/or once a year. The bonuses are paid in cash or as additional pension contributions based on the achievement of the company's profitability targets and other financial targets for the financial year, thereby supporting the achievement of strategic goals. Criteria can also be non-economic or qualitative, such as sustainability criteria. As the recommended indicators are measurable, the Board will be able to assess objectively the results at the end of the performance period.

The Board of Directors may also, if necessary, decide on the one-off or individual remuneration components for the Group CEO and Deputy CEO and for other key persons for successful execution of the key or strategic projects that are important for the Group. Such projects include acquisitions and large-scale construction projects.

### Quarterly cash-based short-term performance bonus

The target levels for the 2024 quarterly short-term bonus were determined on a quarterly basis. The bonus was based on comparable sales performance depending on the person's role (store or region-specific). The payment of the bonus was conditional on the cash margin not falling in the unit under review. The bonus was calculated using the percentage of the person's gross salary for the relevant earning period as shown in a specified table. The bonus scheme covered Tokmanni Oy's store personnel. Tokmanni Oy's logistics employees were paid a personal productivity bonus based on their monthly performance, on top of their monthly basic salary. In 2024, the employees of the Dollarstore segment and of Shoe House Oy were not covered by this bonus scheme.

### **Annual cash-based short-term performance bonus**

The bonus paid under the 2024 annual short-term performance-based bonus scheme was based on revenue and performance targets. In addition, the synergies between Tokmanni and Dollarstore measured in euros were used as an indicator. The bonus was paid after the financial statements for the year in question were finalised. The short-term cash-based performance bonus included all of the Tokmanni Group's key employees. In addition, Tokmanni Oy's experts have their own remuneration scheme, which is based on unit-specific targets. The targets were met, so the bonus was paid after the financial statements for the year in question had been finalised.

### **Individual short-term bonuses**

Tokmanni Group Corporation has a complementary share-based retention scheme, which is based on personal performance and the achievement of set targets. In 2023, an individual bonus was paid to the Group CEO, the Deputy CEO and the members of the Executive Group. In 2024, no additional individual bonuses were paid.

### **Long-term remuneration**

Share-based long-term incentive schemes are part of the company's remuneration scheme for key employees. The purpose of this arrangement is to unite the targets of the owners and key employees in order to raise the value of the company over the long term and to commit the key employees to the implementation of the company's strategy. In addition, the scheme aims to provide key employees with a competitive remuneration system based on the earning and accumulation of the company's shares.

### **The 2023 share bonus scheme**

The earning period for the share-based bonus scheme was the 2023 calendar year. The scheme's bonus was based on the Group's earnings per share (EPS), Tokmanni Group Corporation's total shareholder return compared to peer companies for the period 1 January–31 December 2023 and customer perception of the Group's sustainability. The persons eligible for the scheme are the Group CEO, the members of the Executive Group and other key persons of the company. The shares earned were transferred to the beneficiary's book-entry account in 2024 and will be released from restrictions in January 2026. If the employment or manager's contract of an eligible person is terminated before the restrictions on the shares expire, the shares will be returned to the company.

### **New share-based long-term incentive scheme**

On 13 December 2023, the Board of Directors of Tokmanni Group Corporation decided to establish a new share-based long-term incentive scheme for the Group's management and selected key personnel. The scheme consists of a Performance Share Plan (PSP). The Board of Directors also decided to launch a Restricted Share Plan (RSP). It is intended to be used as a complementary share-based retention scheme. Both schemes have a rolling structure, i.e. the PSP and RSP plans are started by a decision of the Board of Directors. Participants, earning potential, performance indicators and target levels are decided separately for each programme.

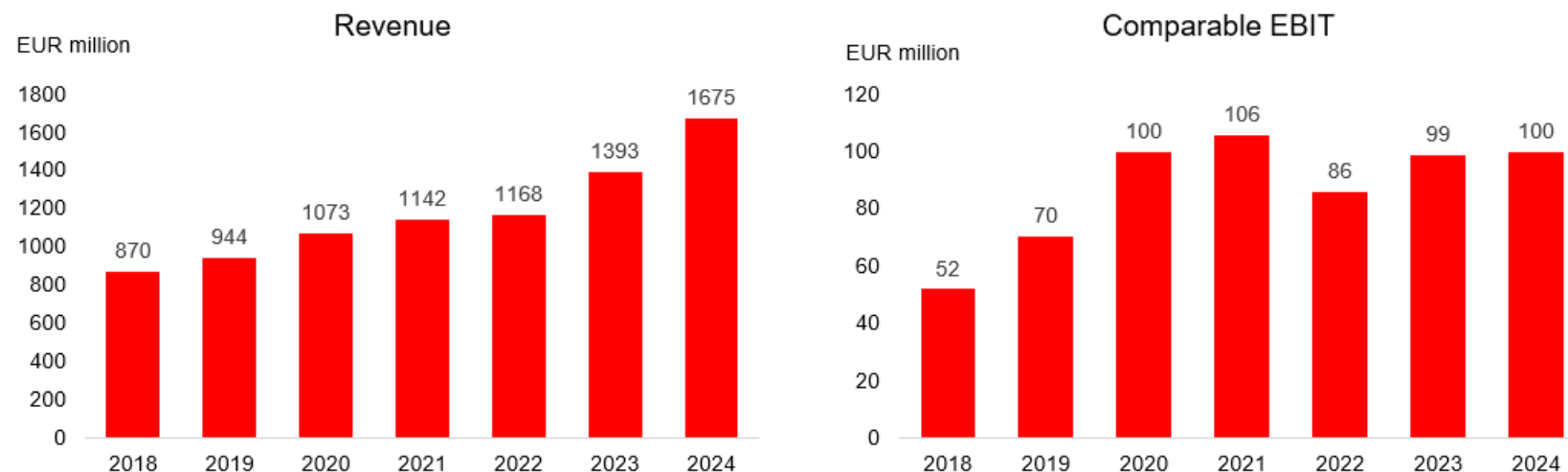
The first individual plan in the PSP structure, PSP 2024–2026, commenced at the beginning of 2024 and the awards potentially earned thereunder will be paid in listed shares of Tokmanni Group Corporation and potentially partly in cash during the first half of 2027. The PSP 2024–2026 indicators were earnings per share, relative total shareholder return relative to the median return of peer companies, as well as the environmental scope 3 climate target and the diversity, equity and inclusion (DEI) indicator.

The first individual plan in the RSP structure, RSP 2024–2026, commenced at the beginning of 2024 and share awards payable thereunder will be paid in annual tranches during the plan's restriction period. The aggregate maximum number of shares payable as a reward under the RSP 2024–2026 is approximately 50,000 shares (referring to gross reward, from which the applicable payroll tax is withheld before share delivery). In 2024, Tokmanni Group Corporation transferred 2,000 of its own shares under the RSP programme to pay a share award to the company's Group CEO. In addition, the Group CEO was paid the equivalent of 2,000 shares in cash to cover taxes.

### **Remuneration in relation to Tokmanni Group's financial performance**

In accordance with the Tokmanni Group's Remuneration Policy, the remuneration of the Group CEO and the Deputy CEO consists of a fixed annual salary and performance-based bonuses. Since the targets of the Tokmanni Group's short- and long-term incentive schemes are linked to achievement of the company's profitability targets and other financial targets, the development of the company's business operations is reflected in the remuneration paid to the Group CEO. Changes in the total remuneration have mostly been due to changes in realised performance- and share-based bonuses.

The Deputy CEO's primary role is to act as the Group's CFO and CIO. As the role of Deputy CEO is secondary, the company does not pay a separate remuneration for the performance of the Deputy CEO's duties. The Deputy CEO has not performed the CEO's duties between 2018 and 2024.



The comparable EBIT for 2020 has been adjusted. The figures concerning the comparable EBIT in 2018–2019 are not fully comparable, because they have not been adjusted as a result of a correction made to previous financial years. The correction concerns the method of recognising purchase rebates and adjustments to lease agreements recognised under IFRS 16. The effect of the adjustment on the 2020 profit is EUR -0.4 million.

### Average remuneration (in euros)

	2019	2020	2021	2022	2023	2024
Chair of the Board	102,000	90,996	95,015	95,860	96,034	81,700
Other Board members, on average	44,000	40,781	46,332	46,234	40,609	51,055
Group CEO	444,966	668,490	910,123	873,014	602,213	706,710
Average employee remuneration*	34,683	35,699	35,078	35,743	38,050	38,668
Personnel in full-time equivalents (FTE), average**	2,717	2,891	3,090	3,125	3,704	4,610

Data in the table is accrual-based.

\* The average employee remuneration is calculated by deducting other social security expenses from the total personnel expenses and dividing the difference by the average number of full-time equivalent personnel during the year.

The figures take into account salaries, fees and bonuses, excluding pension costs and other social security expenses. The total remuneration of the Group CEO is not included.

\*\* Does not include the Group CEO.

## Remuneration and shareholding of the Board of Directors

In accordance with the remuneration policy, the Annual General Meeting decides on the remuneration of the members of the Board of Directors one term of office at a time. Matters pertaining to the remuneration of the Board members are prepared by the Shareholders' Nomination Board, which submits its proposal to the Group's Board of Directors annually before the Annual General Meeting or a possible extraordinary general meeting is convened.

The Shareholders' Nomination Board has been established to serve until further notice. It consists of representatives appointed by the company's four largest shareholders. The Chair of the company's Board of Directors is an expert member of the Board. Its members' term of office ends once a new Nomination Board has been appointed.

According to the Tokmanni Group Corporation's list of shareholders on 1 September 2023, the largest shareholders were Takoa Invest Oy, Varma Mutual Pension Insurance Company, Ilmarinen Mutual Pension Insurance Company and Nordea Funds. The Shareholders' Nomination Board announced its proposal for the remuneration of the Board of Directors for the Notice of the Annual General Meeting on 24 January 2024. The Annual General Meeting held on 23 April 2024 approved the Board's proposal.

During 2024, the Nomination Board discussed the size, composition and diversity of the Board, as well as the areas of expertise that it considers to be the most beneficial for the company. The Nomination Board also reviewed the remuneration of the members of the Board of Directors.

On 23 April 2024, the Tokmanni Group's Annual General Meeting confirmed the annual remuneration of the members of the Board of Directors (in euros) as follows:

	<b>2024</b>
Chair	70,000
Vice Chairman	47,000
Members	33,000
<u>Meeting fees</u>	
Domicile in Finland	1,000
Domicile elsewhere in Europe	2,000
Domicile outside Europe	3,000

The Chair of the Finance and Audit Committee and the Chair of the People and Sustainability Committee will additionally be paid a monthly fee of EUR 1,000.

The Board members' annual fee will be paid in company shares and in cash. Around 40% of the annual fee will be used to purchase company shares for the Board member, and the rest of the annual fee will be paid in cash. The company will be responsible for the expenses and transfer tax arising from the acquisition of shares. Board members may not transfer shares acquired for them until three years have passed from the date of acquisition or before their retirement from the Board, depending on which comes earlier.

The meeting fees of the Board members and the fees of the Chair of the Finance and Audit Committee and the Chair of the People and Sustainability Committee are paid in cash.

There are no share-based incentive schemes for the members of the Board of Directors, and they are not covered by the company's remuneration schemes or pension arrangements.

#### Fees received by the Board of Directors in 2024 (in euros)

Name	Annual fee*	Share component of annual fee	Cash component of annual fee	Board of Directors' attendance fees	Committee chairs' fees	People and Sustainability Committee's attendance fees	Finance and Audit Committee's attendance fees	Other fees	Other benefits	Total
Seppo Saastamoinen	70,000	28,415	41,585	11,000					700	81,700
Mikko Bergman	33,000	14,592	18,408	11,000			6,000		328	47,328
Thérèse Cedercreutz **				2,000		2,000				4,000
Erkki Järvinen	47,000	19,078	27,922	11,000	12,000	2,000	6,000		513	78,513
Ulla Serlenius	33,000	14,592	18,408	11,000	9,000	8,000			330	58,330
Harri Sivula	33,000	14,592	18,408	11,000		7,000	4,000		354	52,354
Eja Tuominen ***	33,000	14,592	18,408	18,000		12,000		5,500	305	65,805
<b>Total</b>	<b>249,000</b>	<b>105,864</b>	<b>143,136</b>	<b>75,000</b>	<b>21,000</b>	<b>31,000</b>	<b>16,000</b>	<b>5,500</b>	<b>2,530</b>	<b>388,030</b>

Data in the table is accrual-based.

\* The annual fee consists of a share component and a cash component.

\*\* Member of the Board until 23 April 2024

\*\*\* Member of the Board since 23 April 2024



## Board of Directors' shareholding on 31 December 2024

	Number of shares
Mikko Bergman*	1,959
Erkki Järvinen	6,646
Ulla Serlenius	4,284
Seppo Saastamoinen**	216,821
Harri Sivula	216,533
Eja Tuominen	961
<b>Total</b>	<b>447,204</b>

\* Mikko Bergman is a member of the Board of Directors of Sompia Capital Oy. Sompia Capital Oy owned 50,000 shares, or 0.08% of Tokmanni Group Corporation's shares, at the end of 2024.

\*\* Seppo Saastamoinen is one of the founders, Chairman of the Board and CEO of Takoa Invest Oy. Takoa Invest Oy owned 11,003,349 shares, or 18.69% of Tokmanni Group Corporation's shares, at the end of 2024. In addition, Jukka Saastamoinen Oy owned 274,000 shares in Tokmanni Group Corporation, or 0.47%, and Seppo Saastamoinen owns 30% of the shares of Jukka Saastamoinen Oy (controlling 25.58% of the votes).

## Remuneration and shareholdings of the Group CEO and Deputy CEO

In accordance with the Remuneration Policy, the People and Sustainability Committee prepares and the Board of Directors approves the principles concerning remuneration systems and decides on the Group CEO's and Deputy CEO's salaries and bonuses and the key terms and conditions of their service contract. The Group CEO and the Deputy CEO receive an annual remuneration in accordance with the remuneration policy, consisting of the following fixed and variable components: fixed annual salary, pension, short-term incentives, long-term incentives, one-off remuneration and benefits.

Mika Rautiainen was the Group CEO of Tokmanni Group throughout the financial year 2024 and Tapio Arimo was the Deputy CEO.

**Total remuneration of the Group CEO, the Deputy CEO and the other Executive Group members in 2024 (in euros)**

		Variable salary components								Total
		Fixed annual salary *	Supplementary pension **	Performance- based bonus in cash	Performance based bonus in pension contributions	Performance Share Plan	Share bonus	Restricted Share Plan (RSP)	Individual bonus ***	
Group CEO	2023	455,538				25,112	51,960		64,000	596,611
Mika Rautiainen	2024	467,790	44,400	64,076	9,528	133,919		40,920		760,633
Deputy CEO	2023	198,110				722			32,000	230,831
Tapio Arimo	2024	210,184	20,160	17,324	4,331	41,417				293,417
Other Executive Group members	2023	1,219,731				50,454			64,050	1,334,236
	2024	1,063,719	101,304	87,088	21,772	208,229				1,482,111

*Data in the table is payment-based.*

The 2022 bonus component of the STI was paid in 2023 and the 2023 bonus component of the STI was paid in 2024.

\* The fixed annual salary includes taxable fringe benefits.

\*\* From 2024 onwards, the supplementary pension has no longer been linked to the performance bonus and is a separate item of 10% of the basic salary of the Group CEO and Deputy CEO. The supplementary pension is paid every six months by the company to a company that provides pension insurance.

\*\*\* Additional individual bonuses are linked to the success of the Dollarstore acquisition.

In 2024, the fixed component of the Group CEO's annual salary was 61.5% of the total remuneration, while the short-term and long-term bonuses paid were 32.7% and the supplementary pension was 5.8%.



In 2024, the fixed component of the Group Deputy CEO's annual salary was 71.6% of the total remuneration, while the short-term and long-term bonuses paid were 21.5% and the supplementary pension was 6.9%.



The Group CEO and the Deputy CEO have valid health insurance that also covers treatment expenses and medication for accidents during leisure time. The Group CEO and the Deputy CEO also have a phone benefit and the option of a car benefit.

**Short-term performance-based bonus in cash**

The maximum amount of the cash bonus paid to the Group CEO under the short-term incentive scheme was set at 53.8% of his fixed annual salary in the 2023 performance-based bonus scheme. The bonus for the 2023 incentive scheme was based on revenue (total revenue growth) and performance (comparable gross profit %, comparable EBIT) targets and the turnover of inventories. In 2023, the Group CEO's success rate in achieving the targets of the short-term incentive scheme was 26.8% of the maximum bonus, resulting in a cash bonus of 14.4% of the fixed salary for 2023. The amount payable in cash was EUR 64,076 and it was paid in 2024.

The maximum amount of the cash bonus paid to the Group CEO under the short-term incentive scheme was set at 61.8% of his fixed annual salary in the 2024 performance-based bonus scheme. The bonus for the 2024 incentive scheme was based on revenue (total consolidated revenue growth) and performance (consolidated and Tokmanni segment's comparable EBIT) targets and achieved synergies. In 2024, the Group CEO's success rate in achieving the targets of the short-term incentive scheme was 11.0% of the maximum bonus, resulting in a cash bonus of 6.8% of the fixed salary for 2024. The amount payable in cash was EUR 29,938 and it will be paid in 2025.

**Short-term performance-based bonus**

Performance period	Payment in	Performance criteria	Weighting	Performance	Remuneration, % of maximum	Total targets achieved
2023 bonus	2024	Revenue	20%	30%	6%	Mika Rautiainen; 27%
		Comparable gross profit, %	20%	25%	5%	
		Comparable EBIT	30%	3%	1%	Tapio Arimo; 27%
		Turnover of inventories	30%	50%	15%	
2024 bonus	2025	Tokmanni Group's revenue	34%	24%	8%	Mika Rautiainen; 11%
		Tokmanni segment's comparable EBIT	33%	6%	2%	
		Tokmanni Group's comparable EBIT	33%	0%	0%	Tapio Arimo; 11%
		Synergies from the Dollarstore acquisition	Coefficient 1.1 for other targets (yes/no)	Yes		

**Pension benefits**

The pensions of key members of Tokmanni Group's management are determined in line with the general provisions applied in Finland to employee pensions (Employee Pensions Act). In 2023, contributions to a supplementary pension insurance for the Group CEO were paid as part of an incentive scheme. The Group CEO's statutory pension expenses amounted to EUR 81,845.32 in 2024 (94,333.06). The company's pension cover is arranged by external pension insurance companies. Pension expenditure is recognised as an expense in the year in which it is accrued.

Based on the 2023 performance-based bonus scheme, the Group CEO was paid voluntary supplementary pension contributions amounting to 2.0% of the fixed annual salary paid in 2023. From 2024 onwards, the supplementary pension has no longer been linked to the performance bonus and is a separate item of 10% of the basic salary of the Group CEO and Deputy CEO. The supplementary pension is paid every six months by the company to a company that provides pension insurance.

### **Long-term performance-based bonus in shares**

The bonus paid to the Group CEO in 2023 under the share-based incentive scheme was based on the 2022 long-term incentive scheme, and the earning period for this scheme was the year 2022. The bonus was paid partly in shares of the company and partly in cash. The cash component covered the tax consequences of the bonus paid.

Under the terms and conditions of the 2022, share-based incentive scheme, the maximum bonus for the Group CEO was 63.2% of the fixed annual salary for the earning period. The performance indicators used in the scheme were the company's earnings per share with a weighting of 60%, the price performance of the company's share with a weighting of 30%, and the reduction of emissions from own operations with a weighting of 10%. The success rate in achieving the targets was 10.0% of the maximum bonus in 2022, resulting in a bonus of 6.3% of the fixed annual salary for 2022. The bonus amounted to EUR 25,112, half of which was paid in cash and half in shares in 2023. The number of shares was determined according to the average closing price (EUR 12.19) on the last stock exchange trading day of each quarter in 2022. The shares are subject to a lock-up period of two years after the year they are earned.

Under the terms and conditions of the 2023, share-based incentive scheme, the maximum bonus paid to the Group CEO was 63.2% of the fixed annual salary for the earning period. The scheme's performance indicators were company earnings per share with a 50% weighting, Tokmanni's total shareholder return compared to peer companies with a 40% weighting and customer perception of Tokmanni's sustainability with a 10% weighting. The success rate in achieving the targets was 45.0% of the maximum bonus in 2023, resulting in a bonus of 28.4% of the fixed annual salary for 2023. The bonus amounted to EUR 126,389, half of which will be paid in cash and half in shares in 2024. The number of shares was determined according to the average closing price (EUR 13.11) on the last stock exchange trading day of each quarter in 2023. The shares are subject to a lock-up period of two years after the year they are earned.

## Criteria and performance of the share-based incentive scheme

	Performance criteria	Weighting	Performance entitling to minimum bonus	Performance entitling to average premium	Performance entitling to maximum bonus	Performance-related contribution
Performance period 2023	Profit/share	50%	1.03	1.15	1.27	0%
Payment 2024 *	Total return of Tokmanni Group's share relative to median return of peer companies	40%	Median return	Median +2% points	Median +4% points	100%
Released from restrictions in January 2026	ESG: Customers' perception of Tokmanni's sustainability	10%	3.27	3.34	3.41	50%

\* The bonus, which is treated as earned income, was paid in the form of shares in the company and partially in cash. The cash component will cover the withheld taxes incurred from the bonuses by the persons eligible for the scheme. The shares earned were transferred to the beneficiary's book-entry account in 2024 and will be released from restrictions in January 2026. If the employment or manager's contract of an eligible person is terminated before the restrictions on the shares expire, the shares will be returned to the company.

PSP	Performance criteria	Weighting
Performance period PSP 2024–2026	Profit/share	50%
	Total return of Tokmanni's share relative to median return of peer companies	35%
Payment in 2027 *	ESG:	15%
	Environmental target, scope 3 **	(7.5%)
No restrictions	DEI target, diversity, equity and inclusion	(7.5%)

\* The bonus, which is treated as earned income, will be paid in the form of shares in the company and partially in cash in 2027. The cash component will cover the withheld taxes incurred from the bonuses by the persons eligible for the scheme.

\*\* The Scope 3 and DEI targets are measured on the basis of the cumulative result for 2025 and 2026.

The ESG and non-financial targets are:

- Reducing emissions in the supply chain in cooperation with suppliers (Science Based Climate Targets, scope 3 target). Tokmanni Group's baseline data was obtained during 2024 and used for setting targets for 2025 and 2026.
- Social: DEI target (diversity, equity, inclusion). A summary of the responses to the Pulse survey on social responsibility. With regard to diversity, a target of at least 35% women has been set for 2027 for gender balance in senior management and among key personnel.
- Tokmanni's relative total shareholder return (relative TSR), based on the share price of a peer group of 12 companies, most of which are listed retail companies operating in the Nordic countries. Their share price is measured in January–February at the beginning and end of the performance period. The initial value is calculated at the beginning of March.

### **A share-based bonus scheme for Group CEO retention**

In addition, on 13 December 2023, Tokmanni Group Corporation's Board of Directors decided to launch a Restricted Share Plan (RSP). It is intended to be used as a complementary share-based retention scheme. The first individual plan, RSP 2024–2026, commenced at the beginning of 2024 and the share rewards payable thereunder will be paid in annual tranches during the plan's restriction period. The Board of Directors will decide separately on each new plan, its earning period and related details.

In 2024, Tokmanni Group Corporation assigned 2,000 of its own shares under the RSP scheme as a share bonus to the Group CEO and paid a cash equivalent of another 2,000 shares for the payment of taxes.

### **Shareholdings of the Group CEO, the Deputy CEO and other members of the Executive Group 31 December 2024**

	<b>Number of shares</b>
Mika Rautiainen, Group CEO	184,732
Tapio Arimo, Deputy CEO	10,520
Other Executive Group members	190,221

### **Termination benefits**

If the company gives notice to the Group CEO, he will have the right to receive compensation corresponding to 12 months' total pay. Under corresponding circumstances, the other members of the Executive Group, including the Deputy CEO, will have the right to compensation corresponding to a maximum of nine months' total pay.

### **Other financial benefits**

No other financial benefits in addition to those described above were paid to the Group CEO or the Deputy CEO in 2024.

**Remuneration components and key terms of contract of the Group CEO and Deputy CEO**

Fixed salary	The fixed annual salary is reviewed annually by the People and Sustainability Committee and approved by the Board.
Pension	Pensions are determined in line with the general provisions applied in Finland to employee pensions (Employee Pensions Act). In 2024, contributions to a supplementary pension insurance for the Group CEO were paid as part of a performance-based incentive scheme (does not apply to the Deputy CEO).
Short-term incentives	The Board of Directors determines the terms of the Group's performance-related bonus each year. These short-term performance bonuses are typically paid quarterly and/or once a year. The bonuses are paid in cash or as additional pension contributions based on the achievement of the company's profitability targets and other financial targets for the financial year, thereby supporting the achievement of strategic goals. Criteria can also be non-economic or qualitative, such as sustainability criteria. The Board of Directors may also, if necessary, decide on the one-off or individual remuneration components for the Group CEO and Deputy CEO and for other key persons for successful execution of the key or strategic projects that are important for the Group. Such projects include acquisitions and large-scale construction projects.
Performance Share Plan	The Performance Share Plan (PSP) structure consists of annually commencing individual performance share plans, each with a three-year performance period, followed by the payment of the potential share rewards. The Board of Directors will decide separately on each new plan, its earning period and related details. The first individual plan in the PSP structure, PSP 2024–2026, commenced at the beginning of 2024 and the awards potentially earned thereunder will be paid in listed shares of Tokmanni Group Corporation during the first half of 2027. The payment of the rewards is conditional on the achievement of the performance targets set by the Board of Directors for the plan. The performance measures based on which the potential share rewards under PSP 2024–2026 will be paid relates to the company's share value, the company's profitability and its sustainable business operations. If all performance targets set for PSP 2024–2026 are achieved in full, the aggregate maximum number of shares payable as a reward under the plan is approximately 200,000 (referring to gross reward, from which the applicable payroll tax is withheld before share delivery). The value of the rewards payable is limited by a maximum cap linked to the company's share price performance.
Restricted Share Plan	The Restricted Share Plan (RSP) is intended to be used as a complementary share-based retention scheme. The RSP structure consists of annually commencing individual restricted share plans. Each plan comprises a restriction period with an overall length of three calendar years, extending to the first half of the fourth year of the plan. The granted share rewards are paid to the participants in one or several tranches no later than the end of the restriction period. The Board of Directors shall decide on each new plan and on all other related details separately. The first individual plan, RSP 2024–2026, commenced at the beginning of 2024 and the share rewards payable thereunder will be paid in annual tranches during the plan's restriction period. The aggregate maximum number of shares payable as a reward under the RSP 2024–2026 is approximately 50,000 shares (referring to gross reward, from which the applicable payroll tax is withheld before share delivery). The value of the rewards payable is limited by a maximum cap linked to the company's share price performance.
Recommendation on shareholding	The Group CEO and the Deputy CEO are expected to retain ownership of at least half of the shares they receive under the company's share-based bonus schemes until the value of their shareholding in the company equals or exceeds their gross annual salary.
Non-monetary benefits (taxable income)	The Group CEO and the Deputy CEO have valid health insurance that also covers treatment expenses and medication for accidents during leisure time. They also have a phone benefit and the option of a car benefit.
Terms of dismissal	If Tokmanni Group Corporation dismisses the Group CEO, the Group CEO will have the right to receive compensation corresponding to 12 months' total pay. Under corresponding circumstances, the other Executive Group members will have the right to compensation corresponding to no more than 9 months' total pay.
Risk corrections	The Board of Directors may decide to defer, to pay partially or not at all, or to claw back any variable remuneration components.