

# Koskisen Corporation Remuneration Report

## Dear shareholders,

Koskisen's Board of Directors established a Personnel Committee following the Annual General Meeting held in spring 2025. The key duties of the Personnel Committee include the development of remuneration practices and ensuring the effectiveness of remuneration. The aim is for remuneration to support the growth of the company's value, its long-term financial success and the execution of its growth strategy. In performing its duties, the Personnel Committee supports the implementation of Koskisen's Human Resources Principles.

During the year under review, Koskisen's business progressed in line with the growth strategy. The company's short- and long-term remuneration is focused on rewarding sustainable growth.

We welcome feedback on the Remuneration Report and the Remuneration Policy.

## Pekka Kuusniemi,

Chair of the Personnel Committee

## DEVELOPMENT OF REMUNERATION

EUR 1,000	2025	2024	2023	2022	2021
Total annual and meeting fees of the Board of Directors	290.5	266.5	265.5	273.6 <sup>1</sup>	137.6
Fees paid to the Chair of the Board of Directors	77.0	70.0	70.2	78.0 <sup>1</sup>	48.0
Fees paid to the Board members on average	42.7	39.3	39.1	43.5 <sup>1</sup>	22.4
Annual remuneration of the CEO <sup>2</sup>	814.2	621.8	750.1	562.1	309.4
Koskisen employees' average salary <sup>3</sup>	45.4	44.7	48.4	43.6	41.7
Group's operating profit (EUR million)	14.3	13.0	24.4	58.2	52.7

<sup>1</sup> The remuneration of the Board of Directors in 2022 was affected by the preparations related to the listing process and the increase in the number of Board members.

<sup>2</sup> Includes cash-basis salaries, fees and supplementary pension, does not include social and pension costs.

<sup>3</sup> Personnel costs in Finland in 2021–2022 excluding social and pension costs/average number of employees.

<sup>3</sup> As of 2023, median full-time employees in Finland for the full year excluding social and statutory pension costs.

## Introduction

The Remuneration Policy for Koskisen's governing bodies defines the framework for the remuneration of Koskisen Corporation's governing bodies. The Remuneration Policy complies with the Finnish Limited Liability Companies Act, other regulations concerning publicly listed companies, the company's Articles of Association and the charters of the Board of Directors and its committees. In addition, the company complies with the rules and guidelines of Nasdaq Helsinki Ltd and the Securities Market Association's Corporate Governance Code 2025.

This Remuneration Report contains information on the remuneration of the company's Board of Directors and CEO, the key terms and conditions of the CEO's contract and other Remuneration Report information referred to in the Corporate Governance Code for the financial year 2025. The remuneration report will be available on Koskisen's website for a minimum of ten years. Remuneration is based on the remuneration policy reviewed by the Annual General Meeting. The core idea of remuneration is rewarding performance and responsibility.

These principles guide the short-term and long-term incentive plans that support the company's value, long-term financial success and the implementation of the business strategy.

The remuneration of the Board of Directors for 2025 is based on the resolutions of Annual General Meetings on remuneration. The remuneration of the CEO is based on the Remuneration Policy approved by the Annual General Meeting. Koskisen Corporation's Remuneration Policy was reviewed by the Annual General Meeting of 2023. The 2025 Annual General Meeting approved the Remuneration Report for the financial year 2024 without voting.

The table above shows the development of the remuneration of the Chair of the Board of Directors, the members of the Board of Directors and the CEO compared to the development of the average remuneration of all employees of the Group and the financial development of the Group for the previous five financial years.

## Remuneration of Board members 2025

The remuneration of the Board of Directors for 2025 is based on the resolutions of the Annual General Meeting.

### ANNUAL FEES OF THE BOARD OF DIRECTORS 2025

EUR	
Chair	60,000
Chair of the Audit Committee	42,000
Member	30,000

### BOARD AND COMMITTEE MEETING FEES PER MEETING 2025

EUR	
Chair	1,000
Member	500

In addition, the members of the Board of Directors have been compensated for travel expenses as decided by the 2025 Annual General Meeting. The members of the Board of Directors are not covered by share-based incentive plans, and they are not covered by the company's remuneration or pension schemes.

### REMUNERATION OF THE BOARD OF DIRECTORS 2025

EUR	Period	Annual fee Board of Directors	Meeting fees Board of Directors	Total
Kuusniemi Pekka, Chair of the Board of Directors, Chair of the Personnel Committee	1 Jan–31 Dec 2025	60,000	17,000	77,000
Himberg Carita, Member of the Personnel Committee	15 May–31 Dec 2025	18,750	5,500	24,250
Koskela Karri, Member of the Audit Committee	15 May–31 Dec 2025	18,750	6,000	24,750
Koskinen Kari	1 Jan–15 May 2025	11,250	2,500	13,750
Masala Hanna, Member of the Audit Committee	1 Jan–31 Dec 2025	30,000	10,500	40,500
Reponen Kalle, Member of the Personnel Committee	1 Jan–31 Dec 2025	30,000	8,500	38,500
Sievinen Hanna, Chair of the Audit Committee	1 Jan–31 Dec 2025	42,000	14,000	56,000
Wathén Eva	1 Jan–15 May 2025	11,250	4,500	15,750
<b>Total</b>		<b>222,000</b>	<b>68,500</b>	<b>290,500</b>



## Remuneration of the CEO 2025

### CEO contract and remuneration principles

The company's CEO was Jukka Pahta during the financial period.

The remuneration of the CEO consists of a fixed monthly salary, fringe benefits and variable short-term and long-term incentive plans. The Board of Directors decides on the remuneration of the CEO, the content of the performance bonus and the objectives. The Board of Directors has the right to amend the terms of incentive plans unilaterally for a weighty reason.

The CEO is covered by the Finnish statutory TyEL insurance. The CEO has a defined contribution supplementary pension insurance. The CEO's supplementary pension benefit is determined in accordance with the decision of the company's Board of Directors. The minimum retirement age is 65 years.

The CEO's period of notice is six months. If the company gives notice, an amount equal to six months' salary will be paid as severance pay.

### Short-term incentive plan

Until 31 December 2025, the maximum short-term performance bonus is the amount corresponding to six months' salary and it is paid in cash. Effective from 1 January 2026, the maximum short-term performance bonus is the amount corresponding to eight months' salary and it is paid in cash.

For 2024, the Board of Directors decided to pay the CEO a performance bonus of EUR 40,773, amounting to 22% of the maximum bonus, in 2025. This was paid in February 2025. This was based on success in the sustainability metrics related to safety, as well as the successful specification and implementation of the strategy

For 2024, Pahta had three main goals with weights assigned as follows:

- 60% achievement of Group financial targets (revenue development and EBITDA level), outcome 0%
- 20% sustainability metrics (occupational safety and employee well-being), outcome 6%
- 20% specification and implementation of the strategy, outcome 16%

For 2025, the Board of Directors decided to pay the CEO a performance bonus of EUR 113,280, amounting to 59% of the maximum bonus, in 2026. This was paid in February 2026. This was based on success in implementing the growth strategy and securing financing to support growth.

For 2025, Pahta had three main goals with weights assigned as follows:

- 70% achievement of Group financial targets (revenue development and EBITDA level), outcome 39%
- 10% sustainability metrics (occupational safety), outcome 0%
- 20% implementation of the strategy and the arrangement of financing, outcome 20%

### Long-term incentive plan

The long-term incentive plans are the share-based incentive plans 2022–2026 and 2025–2029.

The share-based incentive plan 2022–2026 has three earning periods, corresponding to the financial periods 2022–2024, 2023–2025 and 2024–2026. The share-based incentive plan 2025–2029 has three earning periods, corresponding to the financial periods 2025–2027, 2026–2028 and 2027–2029.

Any payment is paid as a combination of shares and cash. The purpose of the cash component is to cover the taxes and tax-like levies incurred by the recipient. The earning criterion of the plan is a continuous service contract at the time of payment of the reward. The indicators of the long-term incentive plan focus on the Group's strategic growth, long-term profitability and total shareholder return (TSR).

## SHARE-BASED INCENTIVE PLAN 2022–2026

Share-based incentive plan 2022–2026	Earning period 2022–2024 <sup>1</sup>	Earning period 2023–2025 <sup>2</sup>	Earning period 2024–2026 <sup>3</sup>
Maximum number of shares granted for the CEO	44,000	60,000	60,000
Metrics (weighting)	EBITDA 50% Return on capital employed 50%	EBITDA 100%	Revenue growth 50% EBITDA 50%
Outcome	92.6%	-%	-%
Shares earned (gross)	40,744	-	-
Year of transfer	2025	2026	2027

<sup>1</sup> For the earning period 2022–2024, the Board of Directors set two targets

- 50% EBITDA, actual 85.2%

- 50% return on capital employed, actual 100%

The shares earned during the earning period were paid on April 2025. Calculated using the average share price of EUR 7.0196 on the date of the transfer of the shares on 4 April 2025.

<sup>2</sup> For the earning period 2023–2025, the Board of Directors set a target for the development of EBITDA over the three-year earning period, with a 100% weighting, actual 0%.

<sup>3</sup> For the earning period 2024–2026, the Board of Directors set two targets

- 50% cumulative increase in revenue by 2023

- 50% EBITDA 2024–2026

## SHARE-BASED INCENTIVE PLAN 2025–2029

Share-based incentive plan 2025–2029	Earning period 2025–2027 <sup>1</sup>	Earning period 2026–2028 <sup>2</sup>
Maximum number of shares granted for the CEO	60,000	60,000 <sup>3</sup>
Metrics (weighting)	Revenue 50% EBITDA 40% Scope 1 and 2 10%	TSR 50% Revenue 40% Scope 3 10%
Outcome	-%	-%
Shares earned (gross)	-	-
Year of transfer	2028	2029

<sup>1</sup> For the earning period 2025–2027, the Board of Directors set three targets

- 50% cumulative increase in revenue by 2023

- 40% EBITDA 2025–2027

- 10% scope 1 and 2 emission reduction

<sup>2</sup> For the earning period 2026–2028, the Board of Directors set three targets

- 50% TSR

- 40% cumulative increase in revenue by 2023

- 10% scope 3 emission reduction

<sup>3</sup> Max bonus 200% of annual salary, at the payment time.

## REMUNERATION OF THE CEO 2025

EUR 1,000	
Fixed salary	487.4
Fringe benefits (included in fixed salary)	29.0
Supplementary pension benefit insurance (included in fixed salary)	63.2
Short-term performance bonus	40.8
Long-term incentive bonus	286.0
<b>Total</b>	<b>814.2</b>
Variable compensation as a percentage of total earnings	40.1%

Long-term share-based incentive plans are included in the reporting as a separate item for the year in which the reward was paid.