

Sievi Capital Plc
Governing Bodies' Remuneration Report
2021



Introduction

This Remuneration Report has been prepared in accordance with the remuneration reporting guidelines of the Finnish Corporate Governance Code.

The principles of the remuneration of Sievi Capital's governing bodies, that is, the Board of Directors and the CEO, are defined in the Remuneration Policy that was approved by Sievi Capital's Annual General Meeting on 29 April 2020.

The purpose of Sievi Capital's Remuneration Policy is to contribute to the company's business strategy and promote the company's long-term financial success. The key principles of the Remuneration Policy are that remuneration must be fair and competitive, enhance commitment and support the company's goals. Remuneration should also support the alignment of interests of the shareholders and the governing bodies.

There was a deviation from Sievi Capital's Remuneration Policy during the financial period 2021 in that the remuneration of Jussi Majamaa, who took up the post of CEO on 1 September 2021, consisted entirely of fixed remuneration. The temporary deviation from the Remuneration Policy was justified because the company's long-term incentive schemes during the financial period consisted of share-based incentive schemes, and the share-based incentive scheme that started in 2021 had already begun in January 2021, before Majamaa joined the company.

Sievi Capital did not claw back any previously paid remuneration during the financial period.

The table below shows the development of the remuneration of the Board of Directors and the CEO compared to the development of the average remuneration of the Group's employees and the financial development of the company in the previous five financial periods.

Average salaries, wages and fees, EUR 1,000	2017	2018	2019	2020	2021
Member of the Board of Directors ⁽¹⁾	15	21	25	28	27
CEO	348	367 ⁽²⁾	219	220	404
Personnel ⁽³⁾	205	138	120	119	170
Return on equity, %	27.2	22.5	17.7	12.7	21.6

(1) Includes the Chair of the Board of Directors

(2) Does not include the CEO's severance payment

(3) The salaries, wages and fees for the financial period, including paid portion of share-based remuneration during financial year, minus fees paid to the Board of Directors and then divided by the average number of personnel. Includes CEO.

Fees paid to the Board of Directors in 2021

Name	Position	Board fees, EUR
Lennart Simonsen	Chair of the Board of Directors since 29 April 2021	25,205
Tuomo Lähdesmäki	Chair of the Board of Directors until 29 April 2021	16,830
Simon Hallqvist	Member of the Board of Directors since 29 April 2021	-
Juha Karttunen	Member of the Board of Directors since 29 April 2021	16,330
Kati Kivimäki	Member of the Board of Directors	27,110
Asa-Matti Lyytinen	Member of the Board of Directors until 29 April 2021	10,890
Taru Narvanmaa	Member of the Board of Directors	27,110
Klaus Renvall	Member of the Board of Directors until 29 April 2021	10,890

The figures in the table are shown on a payment basis

The members of Sievi Capital's Board of Directors did not receive shares or share-based benefits as remuneration in the financial period 2021.

Sievi Capital has taken out TyEL employment pension insurance for the members of the Board of Directors and paid the TyEL contributions for the fees of the members of the Board of Directors. The employee's share of the TyEL contributions has been deducted from the fees. The TyEL contributions by individual paid by Sievi Capital in 2021 were as follows: Juha Karttunen EUR 2,327, Kati Kivimäki EUR 4,270, Tuomo Lähdesmäki EUR 2,651, Taru Narvanmaa EUR 3,863 and Lennart Simonsen EUR 3,592.

The travel expenses of the members of the Board of Directors were compensated in accordance with the company's Travel Policy.

Salary and fees paid to the CEO in 2021

Name	Fixed remuneration (incl. fringe benefits), EUR	Share-based remuneration, EUR	Total, EUR
Jussi Majamaa (CEO since 1 September 2021)	45,000	-	45,000
Päivi Marttila (CEO until 1 September 2021) ⁽¹⁾	220,740	137,932	358,672

The figures in the table are shown on a payment basis

(1) Also includes salary and fees paid during the period 1 September 2021–31 December 2021

In 2021, Jussi Majamaa served on the Boards of Directors of Sievi Capital's target companies Nordic Rescue Group and Logistikas. For this, he received total cash remuneration amounting to EUR 4,900 in 2021.

In 2021, Päivi Marttila served on the Boards of Directors of Sievi Capital's target companies Indoor Group, KH-Koneet Group, Nordic Rescue Group and Logistikas. For this, she received total cash remuneration amounting to EUR 26,600 in 2021.

The share-based remuneration paid to Päivi Marttila in 2021 was based on Sievi Capital's matching share plan 2020–2024. In accordance with the terms of the matching share plan, the key persons who made an initial investment in a directed share issue received the right to receive, without consideration, after a waiting period that ended on 31 March 2021, one (1) matching share (gross) for each share that the plan participant subscribed in the share issue and held at the end of the waiting period. Approximately 50 per cent of the share-based remuneration was paid in Sievi Capital shares and approximately 50 per cent in cash, which is intended to cover the resulting taxes and tax-like charges. The remuneration paid in shares was awarded to the persons covered by the plan in a directed share issue without consideration on 7 April 2021. The number of shares issued to Päivi Marttila in the share issue was 52,064.

The fixed annual salary paid to the persons who held the role of CEO in 2021 represented 66% of the total remuneration, while variable remuneration components represented 34%.