

# EVLI

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EVLI PLC

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# REMUNERATION REPORT

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2024

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# Remuneration Report 2024

This Remuneration Report sets out how Evli Plc (“Evli” or “company”) has implemented its Remuneration Policy in 2024 and presents the remuneration and other financial benefits paid to the members of the Board of Directors (“Board”), the Group’s CEO and the Deputy CEO during the year. Remuneration of the company’s governing bodies and their members is based on the Remuneration Policy approved on March 9, 2022. The policy will be applied until the Annual General Meeting 2026, unless the Board decides to bring it forward for an advisory decision at an earlier General Meeting.

The Remuneration Report has been reviewed by Evli’s Compensation Committee and approved by the Board. The shareholders will make an advisory decision on the approval of the Remuneration Report 2024 at Evli’s Annual General Meeting in spring 2025.

### Overview of remuneration in 2024

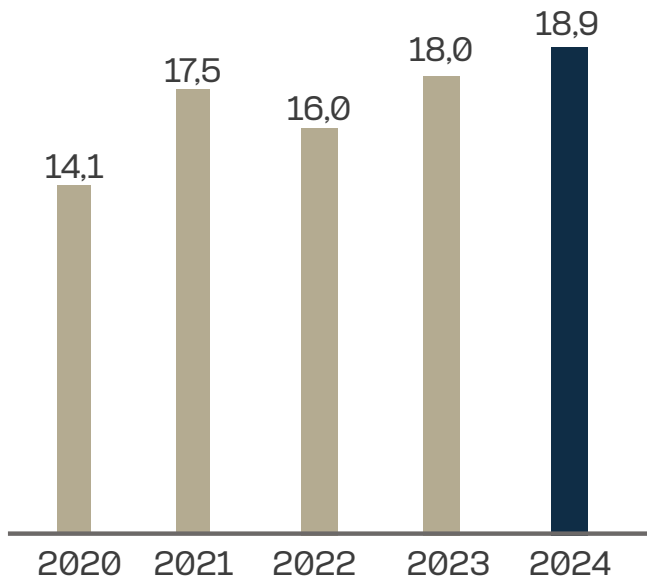
The decision-making on remuneration has been made in accordance with the decision-making process defined in the Remuneration Policy. No temporary deviations from the Remuneration Policy were applied in 2024. Furthermore, the Board did not observe any circumstances or activities that would have resulted in a need to apply claw-back clauses applicable to the CEO’s variable remuneration in 2024. The Board also did not deem it necessary to use its right to adjust the performance criteria applied in 2024.

In line with the Remuneration Policy, remuneration in 2024 has supported Evli’s business strategy with a focus on creating long-term growth and shareholder value. Although a significant part of the CEO’s and the Deputy CEO’s total remuneration is in the form of fixed payments, performance-based components are set to encourage the achievement of targets. Remuneration is balanced to avoid excessive risk-taking. The Compensation Committee has evaluated the CEO’s and the Deputy CEO’s remuneration for 2024 to ensure a competitive and fair total remuneration compared to relevant peers and the market. To encourage share ownership in the company, shareholding guidelines for the CEO were in place to further support and align shareholder and top executive interests

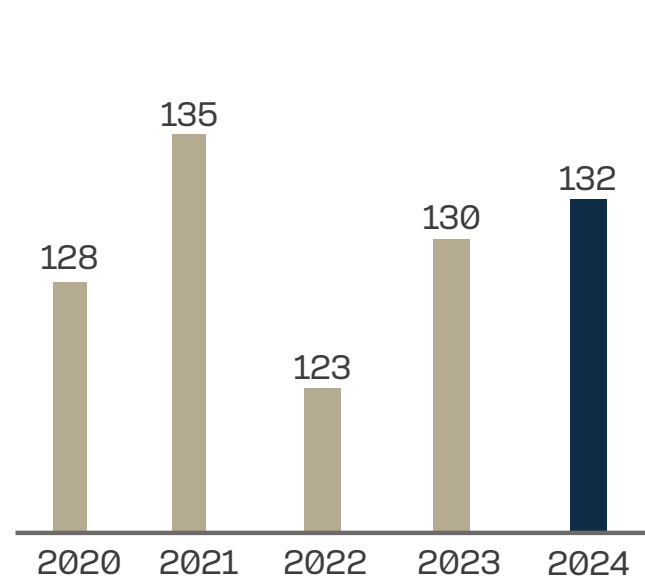
### Development of financial performance and remuneration

Evli’s business has developed positively over the past five years. The review takes into account the investment services activities carried out before the foundation of Evli Plc, during the period of Evli Bank Plc. The company has set four key performance indicators that it considers to be good proxies for its business performance. These are the development of assets under management, the recurring revenue ratio, return on equity and net commission income. From a shareholder perspective, the company has been able to provide stable returns to investors.

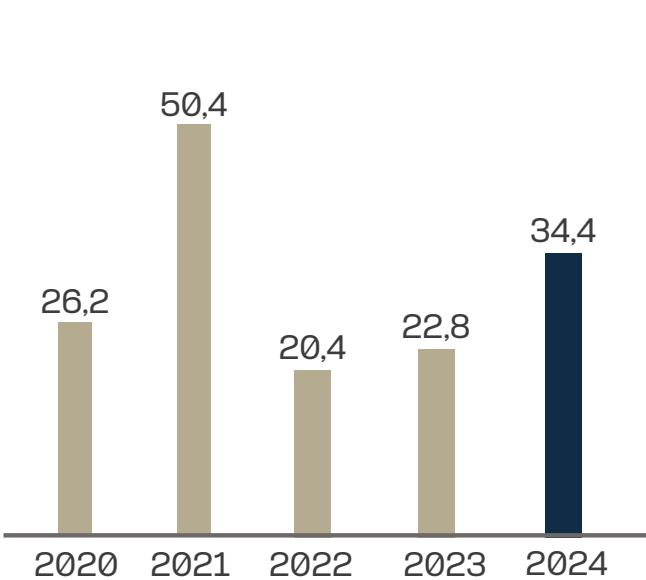
DEVELOPMENT OF ASSETS UNDER MANAGEMENT, (BN. €)



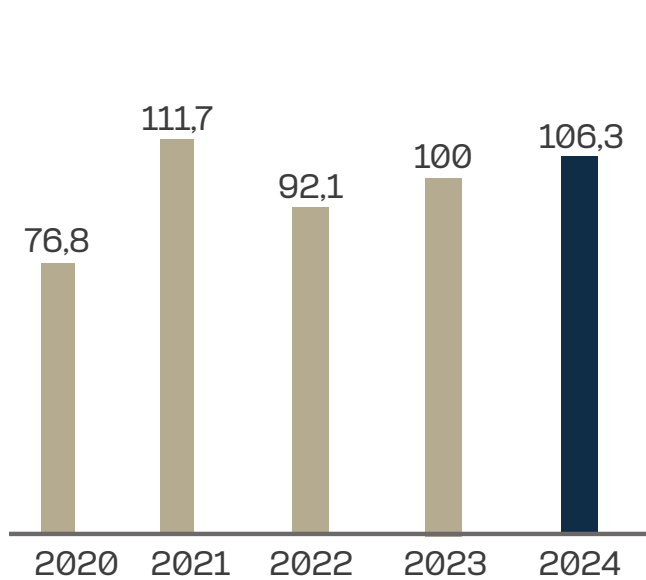
PROPORTION OF RECURRING REVENUE TO OPERATING EXPENSES (%)



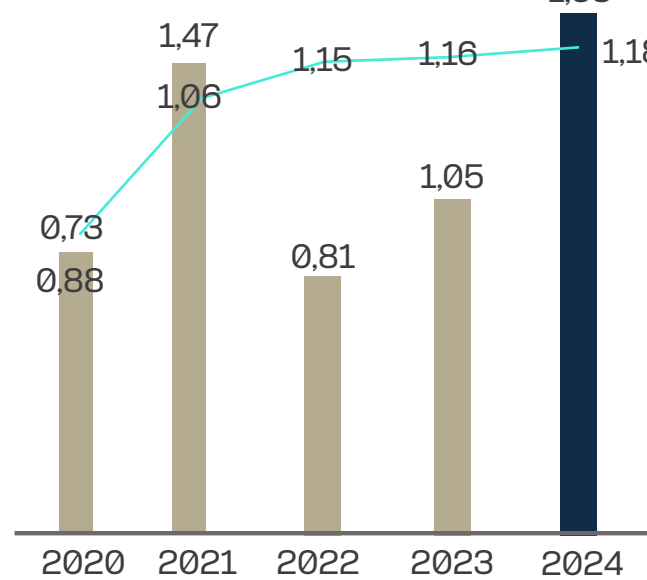
RETURN ON EQUITY (%)



NET COMMISSION INCOME (M€)



DIVIDEND & EARNINGS/SHARE (€)



<sup>1</sup> Board of Directors' proposal to the annual general meeting

**FIVE YEAR DEVELOPMENT OF REMUNERATION<sup>1</sup>**

	2024	2023	2022	2021	2020
<b>BOARD OF DIRECTORS</b>					
Chair of the Board of directors, EUR	90,000	90,000	90,000	90,000	84,000
Chair of the committees (on average), EUR	72,000	72,000	72,000	70,500	67,200
Other members of the Board (on average), EUR	60,000	60,000	60,000	60,000	56,000
<b>CEO</b>					
CEO, EUR	939,178	844,204 <sup>2</sup>	626,010	699,888	446,605 <sup>3</sup>
<b>AVERAGE EMPLOYEE SALARY</b>					
Average salary for the employees, EUR <sup>4</sup>	101,468	91,376	101,203	103,598	96,614

<sup>1</sup> The figures for 2020–2021 are those of Evli Pankki Plc. Evli Plc was created by a partial demerger from Evli Bank Plc on April 2, 2022

<sup>2</sup> In addition, the CEO received 50,000 shares granted to him in the Option-program 2019. The total value of the subscription was EUR 992,516 based on the closing price on the subscription day.

<sup>3</sup> In addition, the CEO subscribed to the 40,000 shares granted to him in the Option-program 2016. The total value of the subscription was EUR 372,000 based on the closing price on the subscription day.

<sup>4</sup> The total wages and salaries amount of Evli reduced with the wages and salaries amount paid to the CEO of the Company and divided with the average number of personnel during the year (other than the CEO). Short-term incentives are considered on the year they are paid. Pensions and other social security costs are not included.

**Remuneration of the Board of Directors in 2024**

Evli Plc's General Meeting decides on the compensations payable to the Board members. The Annual General Meeting of March 14, 2024, made the following resolution on the compensation for attendance at meetings payable to the Chairman of the Board and other members:

- Chairperson of the Board EUR 7,500 per month
- Chairperson of the committees EUR 6,000 per month
- Members EUR 5,000 per month

The Board has established and appointed an Audit and Risk Committee and a Compensation Committee to prepare matters to be handled by the Board. In 2024, the total compensation paid to the Evli Group Board members amounted to EUR 414,652. This sum is made up of meeting participation fees related to the work carried out by the Board and its committees. In 2024, the Board members did not receive any shares or share-based rights as compensation for their work, nor were they granted any other benefits.

**COMPENSATION PAID TO THE MEMBERS OF THE BOARD, €**

	2024
Robert Ingman, Chairperson of the Board since March 14, 2024	82,500
Henrik Andersin, Chairperson and Member of the Board until March 14, 2024	22,500
Christina Dahlblom, Member of the Board	60,000
Fredrik Hacklin, Member of the Board, Chairperson of the Compensation Committee	72,000
Sari Helander, Member of the Board, Chairperson of the Audit and Risk Committee	72,000
Antti Kuljukka, Member of the Board	60,000
Tomi Närhinen, Member of the Board since March 14, 2024	45,000
<b>TOTAL</b>	<b>414,000</b>

**Remuneration of the CEO and the Deputy CEO in 2024**

The Board of Evli Group adopts the principles and elements of the remunerations for the CEO and the Deputy CEO on an annual basis. The remuneration follows Evli's Remuneration Policy in force. All changes in the CEO's and the Deputy CEO's salary and remuneration are subject to the Board's approval. In accordance with the remuneration policy, variable remuneration including both short-term and long-term incentives may not exceed 200 percent of the annual fixed remuneration.

**Short-term incentives in 2024**

In 2024, Evli had a short-term incentive plan in place for the employees, including the CEO and the Deputy CEO. The incentive plan performance criteria are evaluated annually by the Board. The performance targets linked to the short-term incentive for the CEO and his deputy for 2024 are presented in the next table. The purpose of short-term incentives is to encourage the achievement of financial and other short-term objectives in line with the business strategy. The short-term incentive plan remuneration is dependent on the financial performance of Evli, as well as reaching strategic targets.

**SHORT-TERM INCENTIVE PLAN CRITERIA IN 2024**

	Weight	Achievement, CEO	Achievement, Deputy CEO
Evli Group financial performance, development of the operating profit	50%	Exceeded	Exceeded
Group level Key Performance Indicator targets (KPI)	30-50%	Partly exceeded	Partly exceeded
Finalizing strategic projects	0-20%	Exceeded	Exceeded

Although the business environment turned out to be extraordinary during 2024 due to realized geopolitical risks and changed interest rate environment, no adjustments were made to the performance targets. For 2024, the achievement of the criteria is shown in the table above.

For the CEO, the short-term incentives earned in 2024 amounted to approximately 29 percent of the maximum compensation in accordance with the Remuneration Policy. For the Deputy CEO, the corresponding figure was approximately 33 percent. In accordance with the regulations, the remuneration will be paid in installments: 50 percent in spring 2025 and 50 percent in steps during the next three years. The delayed remuneration is linked to the performance of Evli Plc's share price during the delay period.

**Long-term incentives in 2024**

The existing long-term incentive plans for the CEO and his deputy have been implemented as performance share plans (PSP). The purpose of the share-based retention plans is to encourage the executives and the selected key employees to work on a long-term basis to increase shareholder value and to commit to the company. The Board decides annually on the issuance of new plans based on the Compensation Committee's proposal within limits provided by the General Meeting.

The Performance Share Plan offers an opportunity to earn the company's shares as a reward for continuous service and retention of the company and the individual. Under performance share plans, rewards are granted on the achievement of targets linked to the plan. The grant is followed by a vesting period of at least three years. Granting is based on the Board's assessment of the achievement of the targets set for the plan at the given time. Share Plans are usually delivered to the participants after the delay period, provided that the conditions for payment of variable remuneration are met and their employment with the company has continued uninterrupted throughout the duration of the plan and until the shares are delivered. The vesting period is further followed by a retention period of one year in accordance with the regulation set for the financial sector. The rewards under the Share Plans are paid as a combination of shares and cash. The cash component is dedicated to cover the taxes and statutory social security contributions related to shares.

No new long-term incentives were granted to the CEO in 2024. The Deputy CEO has been granted new long-term incentives in the 2024 share incentive plan. The plan provides the possibility to earn Evli Plc Series B shares based on performance. The performance period of the plan started on January 1, 2025 and ends on December 31, 2027. The vesting of the plan is linked to the achievement of the company's performance targets. The CEO and the deputy CEO have a long-term incentive plan in place, which started in 2023. In the 2023 plan, the target group has an opportunity to earn Evli Plc's series B shares based on performance. The performance period of the plan began on September 1, 2023, and will end on December 31, 2026. The performance criteria of the plan are tied to the operating profit of the company (EBIT). The potential rewards from the long-term incentive plans are deferred and paid in compliance with the legislation governing the financial sector. In addition, the payment of the rewards is followed by a retention period of one year, during which the shares paid out as a bonus cannot be transferred.

During 2024, no share-based incentives were paid to the CEO and the Deputy CEO.

**SUMMARY OF SHARE-BASED INCENTIVES ISSUED AND PAID TO THE CEO AND THE DEPUTY CEO**

Plan - Installment	Grant date	Granted installments, <sup>1</sup> number of shares		Performance period	Vesting period	Payment year	Waiting period
		CEO	Deputy CEO				
2023 long-term incentive plan	14.9.2023	max. 40,000	max. 40,000	3 years	3 years	2029	+1 year
2024 long-term incentive plan	16.12.2024	-	max. 30,000	3 years	3 years	2030	+1 year

<sup>1</sup>Gross number of shares before income taxes on the payment of shares

### Remuneration paid to the CEO and the Deputy CEO in 2024

#### REMUNERATION OF THE CEO AND THE DEPUTY CEO IN 2024, €

	Base salary	Additional pension payment	Paid short-term incentives	Paid long-term incentives	Total
<b>CEO, Maunu Lehtimäki</b>	509 040 <sup>1</sup>	76 356	353 782 <sup>2</sup>	-	939 178
<b>CFO, Deputy CEO, Juho Mikola</b>	248 992 <sup>1</sup>	-	159 464 <sup>2</sup>	-	408 456

<sup>1</sup> Including fringe benefits.

<sup>2</sup> Total short-term incentives paid in 2024. The table below details the vesting periods for which short-term incentives paid in 2024 have vested. Incentive awards paid are always based on performance in previous years.

#### BREAKDOWN OF SHORT-TERM INCENTIVES PAID IN 2024, €

	From 2020	From 2021	From 2022	From 2023	Total
<b>CEO, Maunu Lehtimäki</b>	102 532	-	100 000	151 250	353 782
<b>CFO, Deputy CEO, Juho Mikola</b>	53 862	-	41 322	64 281	159 464

The CEO has no significant separate fringe benefits and is covered by the shared Evli Group reward system. The CEO has a six-month notice period binding on both parties. The CEO is entitled to receive a severance pay corresponding to 12-months' salary if the CEO's contract is terminated by the company.

The variable remuneration due to CEO Maunu Lehtimäki from 2024, which has not yet been paid at the time of publication of this report, amounts to EUR 300,000.

The Deputy CEO has no significant separate fringe benefits and is covered by the shared Evli Group reward system. The Deputy CEO has a notice period in accordance with the collective agreement in the financial sector binding on both parties.

The variable remuneration due to Deputy CEO Juho Mikola from 2024, which has not yet been paid at the time of publication of this report, amounts to EUR 170,000.

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