

REMUNERATION REPORT OF VALOE CORPORATION FOR 2022

INTRODUCTION

Valoe's remuneration policy's key principles are remuneration transparency, market orientation, and rewarding for good performance are the key principles in remuneration.

The objective of the company's remuneration policy is to encourage and reward management for operating in accordance with the company's strategy and compliance with the set rules. The policy is also aiming at motivating them to strive for Valoe's success. Functioning and competitive remuneration is an essential tool in recruiting capable management for the company, which contributes to the company's financial success and the implementation of good governance. Remuneration supports the realization of the company's goals and strategy, as well as long-term profitability.

Remuneration by the company's remuneration policy consists of the following components: basic salary and benefits comply with local market practices, laws, and regulations. The purpose of the short-term incentive scheme is to guide an employee's and the organization's performance and support the rapid implementation of strategic projects. The long-term incentive plan is intended, e.g., to retain key personnel in the company. Long-term incentives are designed to engage management and align the management's and the company's shareholders' interests.

The comparison of the development of the fees of Valoe Corporation's board of directors and managing director to the development of the average remuneration of employees and to the company's financial development over the preceding five financial years is presented in the following table.

	2018	2019	2020	2021	2022
Fees of Board of Directors	80	80	97.5	110	110
Fees of Managing Director	168	168	168	168	168
Average remuneration of employees/person, EUR 1000	51	49	51	48	44
Net Sales, EUR 1000	1.328	324	1.277	2.147	1 305
Operating profit, EUR 1000	-2.205	-3.650	-3.206	-2.816	-4 383

REMUNERATION OF THE BOARD OF DIRECTORS

The general meeting decides on the remuneration to be paid to the members of the Board of Directors for one term at a time. Under the general meeting decision, the members of the Board of Directors are paid an annual or monthly fee and / or attendance fees. In accordance with the decision of the general meeting, the members of the Board of Directors may be reimbursed for travel expenses and / or other expenses directly incurred by the work in the Board. According to the decision of the general meeting, the fees to be paid to directors and possible committee members can be paid partially or entirely in shares.

The directors can be covered by the short-term performance bonus scheme or the company's stock option plans, or other long-term bonus schemes.

The general meeting or the Board of Directors authorized by the general meeting decides on the issuance of shares, options, or other special rights entitling to shares. Where shares, options, and other special rights entitling to shares are issued to members of the governing bodies as part of remuneration, this shall be done within the remuneration policy framework.

The Annual General Meeting held in spring 2022 decided that an annual remuneration of EUR 40,000 be paid to both the Chairman and the Vice Chairman of the Board of Directors and an annual remuneration of EUR 30,000 be paid to the Board members. In addition, travel expenses are indemnified in accordance with Valoe Corporation's travel policy. The Board members do not have fringe benefits or other benefits outside their remuneration.

Fees to the Board of Directors in 2022	EUR
Hannu Savisalo, Chairman	40.000
Ville Parpola, Vice Chairman	40.000
Tuomas Honkamäki, Member	30.000
Total	110.000

CEO Iikka Savisalo was a member of the Board of Directors in 2022 but no fee was paid to him for this role.

REMUNERATION OF THE MANAGING DIRECTOR AND OTHER MANAGEMENT

The company's board of directors decides the remuneration of the company's managing director and the terms of his or her service contract within the limits of the existing remuneration policy presented to the general meeting.

During the financial year 2022, Iikka Savisalo acted as the company's managing director. The notice period for both parties is six months. The managing director's pension security is arranged with statutory pension security.

The monthly salaries to managing director Iikka Savisalo in 2022 totalled EUR 168,000.00. No other fees or remuneration were paid to him in 2022.

In 2022, the salaries, fees and fringe benefits to the management team members totalled EUR 221,670.00. No remuneration was paid to the members of the management team under the bonus scheme in 2022.

Valoe Corporation