

Remuneration Report for Governing Bodies 2024

Introduction

This Remuneration Report for Governing Bodies was drawn up in accordance with the guidelines on remuneration in the 2020 Corporate Governance Code for Finnish listed companies. In 2024, the remuneration of the Board of Directors and the CEO of eQ Plc followed the existing remuneration policy of the company.

eQ's remuneration system is based on the strategy and long-term goals defined by the Board, and it is one of the major tools used for reaching the Group's long-term and short-term strategic goals. The remuneration systems support good, efficient and comprehensive risk management at the eQ Group, preventing harmful risk-taking, in particular. The remuneration systems must also take into account sustainability risks related to eQ Group and its business operations. Comprehensive risk management is aimed at taking into account the goals and interests of group companies, the funds managed, and the investors, among other parties.

The following table shows the evolution of the remuneration of the Board of Directors and the CEO compared to the evolution of the average remuneration of the Group's employees and the Group's financial performance over the last five financial years.

Salaries and remuneration – EUR ¹⁾	2024	2023	2022	2021	2020
CEO ²⁾	1,968,833	1,755,389	1,944,133	1,034,689	851,669
change, %	12%	-10%	88%	21%	9%
Chair of the Board ³⁾	599,660	679,421	702,106	549,489	51,000
change, %	-12%	-3%	28%	977%	10%
Other Members of the Board ⁴⁾	238,000	218,750	212,000	199,500	131,500
change, %	9%	3%	6%	52%	17%
Board of Directors in total	837,660	898,171	914,106	748,989	182,500
change, %	-7%	-2%	22%	310%	15%
Employee on average ⁵⁾	176,637	185,836	207,953	218,726	185,653
change, %	-5%	-11%	-5%	18%	5%
Operating profit – MEUR	34.5	39.7	45.7	47.7	30.8
change, %	-13%	-13%	-4%	55%	17%

¹⁾ Salaries and remuneration paid. Due to a change in the remuneration regulation, variable bonuses were no longer deferred in the 2022 bonus payment. All reported figures include salary paid, fringe benefits and annual bonus (excluding stock options and incidental expenses).

²⁾ The year 2021 includes Janne Larma, CEO for the period 1 Jan.–31 March 2021 and Mikko Koskimies, CEO for the period 1 April–31 Dec. 2021. The year 2024 includes Mikko Koskimies, CEO for the period 1 January to 27 October 2024 (including the one-off payment paid in connection with the termination of his employment) and Janne Larma, Acting CEO, for the period 28 October to 31 December 2024.

³⁾ The remuneration of the Chair of the Board of Directors includes the salary and fringe benefits based on the employment contract of the full-time Chair of the Board of Directors, Janne Larma, from 1 April 2021 to 27 October 2024.

⁴⁾ The number of Board members increased by one (from five to six) in 2021.

⁵⁾ Total salaries, fees, fringe benefits and annual bonuses for the financial period (excluding the CEO) divided by the average number of employees.

Remuneration of the Board of Directors

Salaries and fees of the members of the Board of Directors

The General Meeting decides on the remuneration of the Board of Directors. In accordance with the decision of the Annual General Meeting of 2024, the remuneration of the members of the Board of Directors will be as follows: EUR 5,000 for the Chair of the Board, EUR 4,000 for the Vice Chair and EUR 3,000 for the members per month. The AGM also decided to pay the Directors EUR 750 for each Board meeting that they attend. Travel and lodging costs of the Directors will be compensated in accordance with the company's expense policy. Fees are paid in cash.

Janne Larma, who served as the full-time Chair of the Board of Directors until 27 October 2024, was employed by the company and was paid a fixed salary (monthly salary plus fringe benefits) in addition to the fees payable on the basis of his membership of the Board of Directors. As the full-time Chair of the Board, Mr Larma was not covered by eQ Group's annual performance-based bonus scheme. Georg Ehrnrooth, who was elected Chair of the Board on 27 October 2024, has no employment relationship with the company.

In 2024, the remuneration of the members of the Board of Directors has been paid as follows:

Fees – EUR	Annual fee based on membership	Meeting fees, total	Other salaries and remuneration	Total
Päivi Arminen	36,000	9,750	0	45,750
Nicolas Berner	36,000	9,000	0	45,000
Georg Ehrnrooth	50,000	9,750	0	59,750
Timo Kokkila	36,000	9,750	0	45,750
Janne Larma*	56,000	9,750	529,910	595,660
Tomas von Rettig	36,000	9,750	0	45,750
Total	250,000	57,750	529,910	837,660

*Other salaries and remuneration include the salary and benefits of the full-time Chair of the Board Janne Larma until 27 October 2024.

Full-time Chair of the Board's participation in stock option plans

Janne Larma, who has served as the full-time Chair of the Board until 27 October 2024, has been granted stock options as part of the long-term commitment programme for the full-time Chair of the Board. The role of the full-time Chair of the Board of Directors has ended on 27 October 2024. Other than Janne Larma, the members of the Board of Directors of eQ Plc do not have share-based or other types of remuneration schemes.

In 2024, the eQ Group had two stock option plans: Option Scheme 2018 and Option Scheme 2022, under which stock options and stock subscription rights have been granted for the long-term commitment of key employees. eQ's Chair of the Board of Directors, Janne Larma, who was the full-time Chair, is covered by both option schemes. Under the terms of the 2018 and 2022 option schemes, the options have a holding period of approximately three years, after which the options will vest. There are no other specific conditions relating to the ownership of options.

Option scheme 2018

Janne Larma is a member of the Option Scheme 2018 and has initially been granted 100,000 stock options as part of the commitment system. Janne Larma has exercised all stock options granted under the 2018 Option Scheme before 2024.

The subscription period of shares with option rights 2018 began on 1 April 2022 and ended on 1 April 2024.

Option scheme 2022

Based on the Option Scheme 2022, 50 000 stock options have been granted to Janne Larma in 2022 as part of a commitment system. The subscription price of options on 31 December 2024 was EUR 21.45.

The subscription period of shares with option rights 2022 will begin on 1 April 2025 and end on 30 April 2027.

CEO's remuneration

CEO's salary and other benefits

The Board of Directors appoints the CEO and decides on their salary, benefits and other terms of employment. It is important for the company that the CEO's salary is competitive, as the CEO's commitment and adequate incentives are key to the company's success.

The CEO's remuneration system consists of a fixed salary (monthly salary plus benefits in kind) and an annual bonus linked to performance. The amount of the annual bonus is based on the achievement of the personal targets set for the CEO for each year, as well as on the performance of the Asset Management segment. Rewards are not based on the achievement of certain indicators but on the Board's overall assessment. eQ Plc's Board of Directors decides on the amount and distribution of annual bonuses, taking into account, among other things, the criteria for remuneration described above.

In 2024, the CEO has been paid the following salary and remuneration:

Total fees paid in 2024 – EUR

	Fixed fees		Variable fees			Total
	Annual salary (incl. fringe benefits)	Share of total salary	Yearly bonuses ¹⁾	One-off payments	Share of total salary	
CEO Mikko Koskimies 1 Jan. to 27 Oct.	509,783	27.4%	752,592	600,000 ²⁾	72.6%	1,862,375
Acting CEO Janne Larma 28 Oct. to 31 Dec.	106,458	100%	0	0	0%	106,458
Total	616,240		752,592	600,000		1,968,833

¹⁾ Total annual bonuses paid in 2024. The table below details the vesting periods for which bonuses paid in 2024 have been earned. The annual bonus paid to the CEO each year is always based on the performance of the previous year.

²⁾ In connection with the termination of Mikko Koskimies' contract as CEO, Mr Koskimies was paid a one-off payment of EUR 600,000.

For variable remuneration accrued before 2020 and paid in 2021, under the rules in force at the time of payment, 50 per cent of the variable remuneration had to be deferred over the next three years (for each year of the equalizer) if the CEO's variable remuneration exceeded EUR 50,000 per year. 50 per cent of the deferral fee was to be linked to the performance of eQ Plc's share price during the deferral period. The Board of Directors of eQ Plc decides annually on the interest that may accrue on the remaining balance. With the change in the remuneration regulation, from 2021 onwards, for accrued variable remuneration, the part of the variable remuneration exceeding EUR 50 000 will no longer be deferred and amortised.

The table below shows the vesting periods of the variable remuneration paid to CEO Mikko Koskimies in 2024 (including deferred remuneration due from previous years):

Breakdown of variable fees paid in 2024 – EUR

	Year 2023 ¹⁾	Year 2020 ¹⁾	Total
CEO Mikko Koskimies 1 Jan. to 27 Oct. ²⁾	631,739	120,854	752,593

¹⁾ The annual bonus earned by the CEO is always based on the performance of the previous year.

²⁾ Some of the reported bonuses were earned before Mikko Koskimies replaced CEO Janne Larma on 1 April 2021.

The terms and conditions of the CEO's employment are set out in the CEO contract.

The CEO's contract may be terminated by either party giving six months' notice. If the CEO's contract is terminated by the company for any reason, or if the contract is terminated by mutual agreement between the company and the CEO, the CEO is entitled to a severance payment equal to their total salary for the six months preceding the termination of the contract, payable on the date of termination. In connection with the termination of Mikko Koskimies' contract as CEO, Mr Koskimies was paid a one-off payment of EUR 600,000.

The retirement age and pension amount of the CEO are determined according to the Finnish Employees Pensions Act. The CEO does not have any supplementary pension scheme.

CEO's participation in stock option plans

In 2024, the eQ Group had two stock option plans: Option Scheme 2018 and Option Scheme 2022, under which stock options and stock subscription rights were granted for the long-term commitment of key employees. Mikko Koskimies, who has served as CEO of eQ Plc, and Janne Larma, the current acting CEO and full-time Chair of the Board, have been covered by both option schemes. The options granted to Janne Larma are also described above in the section on the remuneration of the Chair of the Board. Under the terms of the 2018 and 2022 option schemes, the options have a holding period of approximately three years, after which the options will vest. There are no other specific conditions relating to the ownership of options.

Option scheme 2018

Mikko Koskimies and Janne Larma have been covered by the Option Scheme 2018 and were both initially granted 100,000 stock options as part of the commitment system.

Mikko Koskimies and Janne Larma had exercised all the stock options granted under the Option Scheme 2018 before the expiry of the Option Scheme.

The subscription period of shares with option rights 2018 began on 1 April 2022 and ended on 1 April 2024.

Option scheme 2022

Mikko Koskimies and Janne Larma were both granted stock options 2022 as part of the 2022 commitment system.

The subscription price of 2022 options on 31 December 2024 were EUR 21.45.

In connection with the termination of Mikko Koskimies' employment, all options granted to him under the Option Scheme 2022, 50,000 options in total, were returned to the company as a result of the termination of his employment.

Based on the Option Scheme 2022, 50,000 stock options have been granted to Janne Larma in 2022 as part of a commitment system.

The subscription period of shares with option rights 2022 will begin on 1 April 2025 and end on 30 April 2027.