

Saga Furs Oyj

Remuneration report

Financial period

1 November 2021–31 October 2022

Introduction

This is a Remuneration report of bodies in accordance with the new Corporate Governance Code of the Finnish Securities Market Association, entered into force on 1 January 2020. The report has been separately issued and is available on the website of Saga Furs Oyj at www.sagafurs.com. This Remuneration report was processed at the Board meeting of Saga Furs Oyj on 26 January 2023 and will be presented to the Annual General Meeting on 28 April 2023.

The remuneration of the bodies of Saga Furs is based on a remuneration policy approved by the Annual General Meeting on 29 April 2022. The approved remuneration policy can be found on the company's website in the materials of the General Meeting in question.

The General Meeting of Saga Furs Oyj confirms the monthly and meeting remuneration paid to the members of the Board each year. The monetary remuneration of the company's Managing Director and Managing Director's substitute consists of a fixed and a variable part. The variable remuneration is tied to predetermined and measurable performance criteria. The goal of competitive remuneration of these bodies is to encourage the management to promote the long-term financial success of the company. The incentive option may provide the Managing Director with a bonus corresponding to a maximum of 6 months' basic salary.

The Managing Director of Saga Furs has contribution-based supplementary pension insurance issued by the company. The Deputy Managing Director has a defined benefit pension based on earlier decisions.

The remuneration of Saga Furs' regular personnel follows the same principle as the remuneration of the management. The goal of the remuneration system is also to encourage the personnel to promote the company's long-term financial success.

Remuneration for the Board of Directors in financial period 2021/2022

In accordance with the proposal of the Board of Directors, the Annual General Meeting held in April 2022 did not change the remuneration of the members of the Board of Directors. The members of the Board will be paid the following monthly fees for the term starting at the end of the General Meeting and ending at the end of the Annual General Meeting of 2023:

- to the Chair of the Board, EUR 2,800 a month,
- to the Vice Chair of the Board, EUR 1,400 a month,
- to other members of the Board, EUR 750 a month each.

In addition to the monthly fees, participation in the meetings of the Board of Directors will entail an attendance allowance of EUR 200 for a meeting of under 2 hours and EUR 350 for a meeting of over 2 hours. When the Chair of the Board, Vice Chair, the Managing Director of the company or an executive official summons a trustee to manage a specific task, the trustee is paid EUR 250 as compensation for the lost day of work if an attendance allowance is not paid for the task in question. Individuals employed by Saga Furs Oyj or the Finnish Fur Breeders' Association are not paid a monthly fee or an attendance allowance for a meeting held during office hours. TyEL pension insurance fees are paid for any paid remuneration.

The travel expenses of the members of the Board are compensated and per diem allowance is paid in accordance with the non-taxable remuneration amounts decreed by the Tax Administration, and the Chair and Vice Chair of the Board are compensated for the telephone and mailing expenses related to this position. No attendance allowance or compensation for lost working hours are paid for travel time.

The members of the Remuneration and Nomination Committees will be paid the same attendance allowance as the members of the Board.

The term of the Chair and members of the Board of Directors shall end at the Annual General Meeting without separate notice, notice salary or other compensation paid on the basis of the termination.

Members of the company's Board of Directors are not included in any remuneration system based on shares or share-related rights.

The Chair and members of the Board were paid a total of EUR 198,186 in remuneration for the 2021/2022 financial period. The remuneration was distributed as follows:

- Kenneth Ingman EUR 13,633
- Jari Isosaari EUR 55,950
- Lasse Joensuu EUR 20,450
- Anders Kulp EUR 22,317
- Virve Kuusela EUR 17,850
- Isto Kärkäinen EUR 20,450
- Kennet Myllykoski EUR 19,350
- Markus Sjöholm EUR 6,636
- Rainer Sjöholm EUR 21,550

No salaries or remuneration were paid to the members of the Committees for attending Committee meetings. The members of the Board did not receive any other financial benefits.

Development of the Board's remuneration in the past five financial years

Financial period	Total remuneration (EUR)
2021/2022	198,186
2020/2021	142,475
2019/2020	195,900
2018/2019	189,252
2017/2018	208,100

Remuneration for the Managing Director and the Managing Director's substitute in financial period 2021/2022

The total value of the salary, remuneration and fringe benefits of Managing Director Markus Gotthardt, who started in his role on 16 May 2022, in the 2021/2022 financial period was EUR 93,070. The Managing Director has contribution-based supplementary pension insurance issued by the company, the payments of which during the financial period were EUR 6,929.

The total value of the salary, remuneration and fringe benefits of the Managing Director's substitute, Deputy Managing Director Juha Huttunen, in the 2021/2022 financial period was EUR 218,420. The costs of the Deputy Managing Director's additional pension in the financial period were EUR 222,676.

The total value of the salary, remuneration and fringe benefits of the Company's previous Managing Director (until 11 March 2022) Magnus Ljung for the financial period 2021/2022 was EUR 204,646. Ljung did not have additional pension insurance paid by the Company.

Vantaa, 26 January 2023

The Board of Directors of Saga Fur Oyj