

Saga Furs Oyj

Remuneration report

Financial period 1 November 2022–31 October 2023

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 2024 and will be presented to the Annual General Meeting on 26 April 2024.

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 under 'Remuneration Policy'.

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 is to encourage the management to promote the fulfilment of the company's business strategy. 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. Other Finnish members of the management group also have a payment-based additional pension scheme.

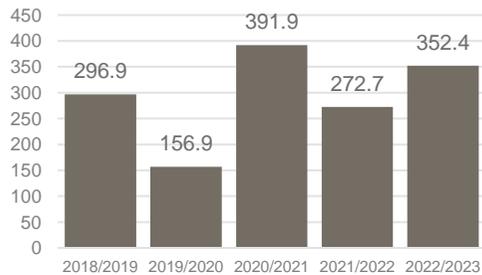
The remuneration of Saga Furs' regular personnel follows the same principle as the remuneration of the management. The goal of the remuneration system is also to encourage the personnel to promote the fulfilment of the company's business strategy.

Remuneration paid (EUR)					
	2018/19	2019/20	2020/21	2021/22	2022/23
Board of Directors, remuneration total	189,253	195,900	142,475	198,186	176,250
Managing Director Pertti Fallenius (until 6 May 2020) ¹	286,733	572,303	-	-	-
Managing Director Magnus Ljung (7 May 2020–11 March 2022) ¹	-	82,336	186,204	204,646	-
Managing Director Markus Gotthardt (from 16 May 2022) ¹	-	-	-	93,071	217,023
Deputy Managing Director Juha Huttunen (Managing Director 12 March–15 May 2022) ¹	182,518	191,535	189,000	218,420	198,600
Personnel, average ² (in the parent company)	41,209	43,764	44,404	42,523	47,519

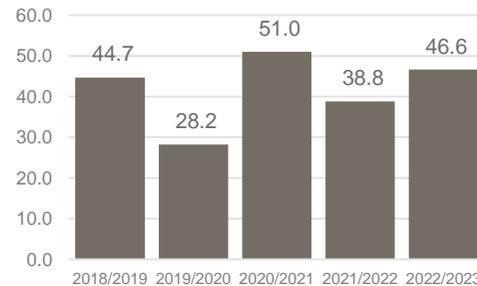
¹) Includes fixed basic salary, fringe benefits and incentive bonuses

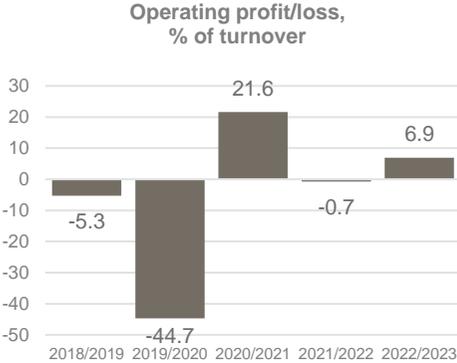
²) The taxable earnings of the Finnish regular and temporary employees of the parent company, divided by the average number of Finnish employees of the parent company.

Value of sales, EUR million



Net turnover, EUR million





Remuneration for the Board of Directors in financial period 2022/2023

In accordance with the proposal of the Board of Directors, the Annual General Meeting held in April 2023 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 conclusion of the Annual General Meeting of 2024:

- 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.

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

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. 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 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 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 176,250 in remuneration for the 2022/2023 financial period. The remuneration was distributed as follows:

- Jari Isosaari EUR 49,650
- Lasse Joensuu EUR 16,750
- Anders Kulp EUR 24,700
- Virve Kuusela EUR 15,700
- Isto Kärkäinen EUR 16,650
- Kennet Myllykoski EUR 19,900
- Markus Sjöholm EUR 15,150
- Rainer Sjöholm EUR 17,750.

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

Remuneration for the Managing Director and the Managing Director's deputy in financial period 2022/2023

The total value of the salary, remuneration and fringe benefits of Managing Director Markus Gotthardt in the financial period was EUR 217,023. Of this, the fixed share of the Managing Director's remuneration was EUR 211,720 and the variable share was EUR 5,303, in other words 2.5% of the fixed annual salary. The retirement age of the Managing Director is 65 years. The Managing Director's pension plan consists of a contribution-based pension plan, with pension contributions corresponding to 6.78% of the pensionable salary. The pension contributions amounted to EUR 13,980 during the year. The Managing Director's term of notice is 6 months. The severance pay is 6 months' salary if the dismissal was made by the company.

The total value of the salary, remuneration and fringe benefits of the Managing Director's substitute, Deputy Managing Director Juha Huttunen, in the financial period was EUR 198,600. Of this, the fixed share of the Managing Director's deputy's remuneration was EUR 188,700 and the variable share was EUR 9,900, in other words 5.2% of the fixed annual salary. The Managing Director's deputy has the opportunity to retire at the age of 60. The pension plan for the Managing Director's deputy consists of a benefit-based supplementary pension insurance, the contributions for which during the financial period were EUR 250,215. The term of notice of the Managing Director's deputy is 6 months. The severance pay is 6 months' salary if the dismissal was made by the company.

Vantaa, 26 January 2024

Saga Furs Oyj

Board of Directors