



REMUNERATION

Making commitment happen

CapMan – Remuneration Report 2024

This Remuneration Report (“Report”) of CapMan Plc (“CapMan” or “Company”) describes the implementation of the Company’s Remuneration Policy and provides information on the remuneration of the Company’s Board of directors (“Board”) and CEO in the financial year 2024. The Report has been prepared in accordance with Finnish legislation and the Finnish Corporate Governance Code 2025. This Report will be presented at the Annual General Meeting (“AGM”) on 25 March 2025 for advisory vote.

The AGM 2023 adopted the Remuneration Policy for Company’s governing bodies through advisory resolution. The Remuneration Policy is available on the Company’s website (www.capman.com/shareholders/governance/compensation/). The Remuneration Report 2023 was adopted through advisory resolution in the AGM 2024.

1. Introduction

1.1 Implementation of the Remuneration Policy in 2024

The AGM 2024 decided on the remuneration of the members of the Board in accordance with the proposal by the Shareholders’ Nomination Board. The Shareholders’ Nomination Board consists of representatives of the largest shareholders and, thereby, the Board is not involved in the preparation of its own remuneration.

According to the decision of the AGM 2024, the members of the Company’s Board were paid monthly remuneration and meeting fees in 2024. In 2024, as in 2023, all remuneration was paid in cash. The Board fees are described in the table below.

Role	Monthly fee (EUR)	
	2023	2024
Chair of the Board	5,000	5,000
Vice Chair of the Board	4,000	4,000
Chair of the Audit and Risk Committee ¹	4,000	4,000
Member	3,250	3,250

Role	Meeting fee (EUR)	
	2023	2024
Chair of the Board	800	800
Chair of the Audit and Risk Committee	800	800
Chair of the Remuneration Committee	800	800
Members	400	400

¹ If he/she is not simultaneously acting as Chair or Vice Chair of the Board of Directors.

The Remuneration Committee of CapMan’s Board convened three times in 2024 to prepare matters concerning the remuneration of the Company’s CEO and other management. Based on the preparation of the Remuneration Committee the Board decided on short-term incentive rewards to the Company’s management (other than CEO) regarding financial year 2023 which were paid in March 2024. In addition, the Board decided on the management’s (other than CEO) short-term incentive programme for the financial year of 2024. In accordance with the Board’s previous decision in principle, the CEO has not in recent years been included in the short-term incentive programmes. Based on the Company’s current situation, the Board has outlined that the CEO’s variable remuneration is to be based mainly on long-term incentives.

According to the Board’s opinion, the decision-making on remuneration complied with the decision-making process described in the Remuneration Policy, and the remuneration components are consistent with the principles set out in the Policy, and there has been no deviation from the Remuneration Policy. No clawback was exercised to the remuneration of the Board or CEO.

1.2 Focus on Long-Term Remuneration with a Share-Based Incentive Programme

The Company aims at maintaining attractive, competitive, fair and sustainable remuneration which strives to achieving strategic business objectives of the Company in short-term and especially in the long-term. The Board has emphasised the significance of the strategic long-term success with sustainability as the Company’s key objective by attaching the CEO’s variable remuneration entirely to long-term incentive programme including sustainability performance targets. The CEO is excluded from the short-term incentive programme.

The Company had one active share-based incentive programme at the end of 2024. The program is targeted for the CEO, management group and selected key employees, altogether approximately 20 people in the CapMan Group. The aim of the programme is to align the objectives of the shareholders and the key employees in order to increase the value of the Company in the long-term. Additionally, the programme aims to retain the key employees at the Company, and to offer them a competitive reward plan that is based on each participant investing, owning, earning and accumulating their ownership of Company’s shares. The contents of the programme is summarised below. Information about the programme is also available on the Company’s website at <https://www.capman.com/shareholders/governance/compensation/>.

1.2.1 Performance Share Plan 2022–2025

The Performance Share Plan 2022–2025 (the “Plan”) includes three performance periods. The performance periods commenced on 1 April 2022. Two first performance periods ended on 31 March 2023 and 31 March 2024, and the third performance period will end on 31 March 2025. The participants may earn a performance-based reward from each of the performance periods and a matching reward from the 2022–2025 period. The rewards from the Plan are paid in the Company’s shares one year after each reward determination, i.e. in 2024, 2025, and 2026. The shares paid as reward may not be transferred during the one-year lock-up periods.

The prerequisite for receiving a reward from the Plan is that a participant acquired Company shares or allocated previously owned Company shares to the Plan up to the number determined by the Board. The reward is based on the Total Shareholder Return (TSR), the achievement of sustainability-linked targets, and on the participant’s employment or service upon reward payment. The sustainability-linked targets are as follows:

- Set science-based targets for climate, have the targets validated by the Science Based Targets Initiative and thereafter follow the GHG emission reduction plan;
- Maintain the employee satisfaction eNPS survey at a high level on a yearly basis;
- Include relevant and quantifiable ESG targets in the CapMan Group employee bonus programme for all eligible personnel. ESG targets should count for minimum 5% of the employee evaluation score by April 2025;
- Set mid- and long-term percentage targets by the end of 2023 on gender diversity, including targets for appointments for Management Group and Partner level, and targets for new recruits throughout the CapMan organisation. CapMan should reach the mid-term target by April 2025.

The maximum reward under the Plan is 4.25× the number of shares the participant has allocated to the Plan. Of the 4.25×, a maximum of 3.5× is linked to TSR, 0.5× is the matching part and 0.25× is linked to the achievement of the four sustainability-linked targets with equal weights (i.e. 25% each).

Current CEO, Pia Käll, has participated in the Plan in her previous role as a member of the Management Group with the

maximum number of shares determined by the Board (30 000 shares) until 15 March 2023. In connection with her appointment as the CEO in March 2023, the Board determined to increase the maximum number of the shares she is allowed to allocate to the Plan to 250 000 shares in aggregate, and Käll participated accordingly.

1.3 Development of Remuneration

The development of remuneration of the Company’s Board members and CEO compared to the development of average remuneration of the Company’s personnel and the Company’s financial development over the past five financial years are presented in the table below.

Key figures	2020	2021	2022	2023	2024 ²
Company key figures					
Share price on 31 December in Nasdaq Helsinki, €	2.32	3.04	2.71	2.29	1.71
Distributed dividends per share, €	0.13	0.14	0.15	0.17	0.10
TSR (Total Shareholder Return), %	3%	30%	– 5%	– 7%	– 15%
Turnover, €	42,989,000	52,784,000	67,532,000	59,364,000	57,621,000
Salaries and fees					
CEO Joakim Frimodig, annual income, € ³	361,974	376,300	453,125	129,639	0
CEO Pia Käll, annual income, € ⁴	0	0	0	351,486	440,178
Average personnel cost, € ⁵	150,664	185,373	171,204	180,060	172,200
Average board members’ fees, € ⁶	49,038	48,552	49,794	42,545	50,600
Share rewards⁷					
	Pay-out based on 2018–2020 (PSP 2018)		Pay-out based on 2020–2022 (PSP 2020)	Pay-out based on 2022–2023 (PSP 2020 and for Frimodig PSP 2022)	Pay-out based on 2022–2023 (PSP 2022)
CEO Joakim Frimodig, share rewards, €	2,241,675	0	2,343,150	1,468,916	0
CEO Pia Käll, share rewards, € ⁸	0	0	0	121,302	63,417
Personnel, share rewards, €	4,079,849	0	5,149,462	2,789,946	1,211,354

² 2024 figures reflect continuing operations only. The sold CaPS service business is classified as a discontinued operation as of 1 January 2024 and thus excluded from the figures.

³ n 2023, CEO Joakim Frimodig’s annual income cover the time period from 1 January to 15 March 2023. Social costs have not been included in the CEO’s income figures.

⁴ n 2023, CEO Pia Käll’s annual income cover the time period from 15 March to 31 December 2023. Social costs have not been included in the CEO’s income figures.

⁵ Personnel costs reported in the financial statements of the Company divided by the annual full-time equivalent (FTE) personnel head count, including e.g. variable remuneration and social costs (excluding share rewards).

⁶ Average remuneration paid to a Board member (monthly fee and meeting fees in total). The average figure excludes the Chair of the Board’s remuneration relating to their responsibility as Executive Chair during 2024.

⁷ The euro values presented have been calculated using the trade volume weighted average share price of the shares on their book-entry registration date. The gross number of shares rewarded has been reduced by the amount of applicable taxes before the shares were delivered.

⁸ In 2023, rewards paid from the Performance Share Plan 2020 related to Käll’s previous role as the management group member.

2. Remuneration of the Board members in 2024

The following table includes the board members' monthly fees and meeting fees paid to the members of the Board in 2024. Both fees remained unchanged from year 2023. The table also includes the compensation paid to Joakim Frimodig for the role of Executive Chair of the Board. The board members' monthly and meeting fees were paid fully in cash. In addition to the board members' monthly fees and meeting fees the members of the Board have been reimbursed for travel expenses in accordance with the Company's travel compensation policy.

The Executive Chair of the Board or the other Board members are not eligible to any additional pension payments, fringe benefits or other personnel benefits provided by the Company.

Board member	Board Service 2024	Board fee 2024, €	Meeting fees 2024, €	Other compensation in 2024, €	Total Remuneration 2024, €
Bygge Johan	1 Jan – 31 Dec	39,000	6,000	0	45,000
Fagerholm Catarina	1 Jan – 31 Dec	39,000	7,200	0	46,200
Frimodig Joakim	1 Jan – 31 Dec	60,000	9,600	209,500	279,100
Hammarén Johan	1 Jan – 31 Dec	39,000	3,600	0	42,600
Kaario Mammu	1 Jan – 31 Dec	48,000	8,400	0	56,400
Liitola Olli	1 Jan – 31 Dec	39,000	4,800	0	43,800
Total	1 Jan – 31 Dec	264,000	39,600	209,500	513,100

3. Remuneration of the CEO in 2024

The following table includes the remuneration and other financial benefits paid to Pia Käll during 2024.

The variable remuneration paid to CEO Pia Käll in 2024 consisted solely of long-term variable remuneration and corresponds to approximately 0.144x the fixed annual salary.

CEO Pia Käll is entitled to an additional defined contribution-based pension plan for which the Company pays an annual premium of 10% of the participant's annual salary. The CEO's entitlement to a paid-up policy increases gradually after three years and after six years covers 100% of the cumulative additional pension saving. The retirement age of the CEO is 63 years.

Name	Fixed annual salary, €	Annual bonus, €	Shares, €	Supplementary pension, €
Käll Pia	440,178	0	63,417	42,000