



Remuneration Policy for the Governing Bodies of Kamux Corporation

Board of Directors of Kamux Corporation



REMUNERATION POLICY OF KAMUX CORPORATION'S GOVERNING BODIES

Table of contents

1	Introduction	3
2	Key principles of remuneration	3
3	Decision-making process	4
3.1	Decision-making on Remuneration Policy	4
3.2	Decision-making on the remuneration of the Board of Directors.....	4
3.3	Decision-making on the remuneration of the President and CEO.....	4
4	Remuneration of the Board of Directors.....	4
5	Remuneration of the President and CEO.....	5
5.1	Elements of remuneration	5
5.2	Key terms of the service agreement	6
5.3	Reduction, deferment, and recovery of remuneration.....	6
6	Specific situations and temporary deviation	7

1 Introduction

The Remuneration Policy sets out the principles governing the remuneration of the Board of Directors, the President and CEO and the CEO's deputy, if any, of Kamux Corporation ("Kamux" or the "company"). The same remuneration principles apply to the President and CEO and the CEO's deputy.

In preparing the Remuneration Policy, the Board of Directors has taken into account the recommendations of the Corporate Governance Code 2020 prepared by the Finnish Securities Market Association and the provisions of the Finnish Securities Market Act and the Finnish Companies Act. The Remuneration Policy will be submitted to Kamux's Annual General Meeting ("AGM") on April 18, 2024 and will be valid until the AGM to held in 2028.

Based on the shareholder feedback, attention should be paid to the transparency of remuneration, sustainability targets should be integrated into performance measures and the performance periods and restriction periods of LTI-plans should support the long-term value creation. This Remuneration Policy has been amended to take the feedback into account.

The main changes to the Remuneration Policy 2024 compared to the Remuneration Policy 2020 are as follows:

- Performance metrics of the long-term incentive plan have been updated to allow for the inclusion of sustainability targets in the company's long-term incentive plan in line with current practices
- The decision-making process on remuneration has been clarified by describing the role of the Personnel and Remuneration Committee and the Shareholders' Nomination Board
- Remuneration of the Board of Directors and the President and CEO has been described in more detail to increase transparency
- Measures to prevent conflicts of interest have been described in more detail
- Section entitled "Special situations and temporary derogation" has been amended to include situations where the Board of Directors may, at its discretion, derogate from the Remuneration Policy
- Further clarifications have been provided and the language has been updated to improve the disclosure and readability of the Remuneration Policy

2 Key principles of remuneration

The Remuneration Policy defines the remuneration principles that promote the company's growth strategy, long-term financial success and creation of shareholder value. The Remuneration Policy also enables the recruitment and retention of talented management and members of the Board of Directors.

According to the key principles of remuneration, the company's financial performance and long-term shareholder value creation will have a significant impact on the remuneration of the President and CEO. The total earning potential should be competitive. Remuneration should support Kamux's entrepreneurial approach and align the interests of the President and CEO and shareholders in a sustainable way in the long term.

The principles of the Remuneration Policy are consistent with Kamux's remuneration practice for all employees. This is reflected, for example, in the performance measures of variable elements of remuneration which are meant to support profitable growth and are partly shared by the President and CEO and other staff.

3 Decision-making process

3.1 Decision-making on Remuneration Policy

The Remuneration Policy is prepared by Kamux's Personnel and Remuneration Committee and approved by the Board of Directors. During the preparation phase, the Board of Directors considers the advisory resolutions of the AGM and the shareholder feedback on the Remuneration Policy. The Remuneration Policy approved by the Board of Directors is submitted to the AGM, which decides whether to endorse the proposed Remuneration Policy. The decision of the AGM is advisory. The Remuneration Policy is submitted to the AGM at least every four years. Material changes to the Remuneration Policy require that the Remuneration Policy be submitted to the Shareholders' General Meeting.

3.2 Decision-making on the remuneration of the Board of Directors

The shareholders resolve annually on the remuneration for the Board of Directors at the Shareholders' General Meeting. The Shareholders' Nomination Board prepares a proposal for the remuneration of the Board of Directors in accordance with the Remuneration Policy. The Shareholders' Nomination Board consists of four members. The three largest shareholders of the company are entitled to appoint one member each. The Chair of the Board of Directors is the fourth member of the Shareholders' Nomination Board.

3.3 Decision-making on the remuneration of the President and CEO

The Board of Directors decides on the remuneration for the President and CEO in accordance with the Remuneration Policy. The Shareholders' General Meeting, or the Board of Directors as authorised by the Shareholders' General Meeting, decides on the issue of shares, options or other special rights entitling to shares that may be used in remuneration. The Board of Directors shall prepare and submit a proposal to the Shareholders' General Meeting. Within the authorization granted by the Shareholders' General Meeting, the Board of Directors shall decide on the terms of share or share-based remuneration plans and on the distribution of shares.

If the Board of Directors engages an external adviser in preparation of decisions, it will ensure that the adviser does not have a mandate from the operative management of the company that creates a conflict of interest for the adviser. In accordance with the company's policy on remuneration decision making, an individual does not make decisions on remuneration for him/herself. This is to ensure that decisions on remuneration are made in a manner that avoids conflicts of interest.

4 Remuneration of the Board of Directors

The remuneration of the Board of Directors aims to be in line with peer companies of the same market value and to reflect fairly and proportionately the competence and effort required of each Director to fulfil his or her responsibilities.

Kamux's shareholders decide at the Shareholders' General Meeting on the criteria and methods of remuneration of the Board of Directors in accordance with the Remuneration Policy. The remuneration of the Board of Directors and its committees may be based on annual and/or meeting fees. Remuneration may be paid either in cash or shares or in both. The Directors may be required to use the annual fee paid in cash in whole or in part for the

acquisition of shares in the company. If remuneration is paid in shares in whole or in part, the Shareholders' General Meeting may decide on restrictions or recommendations on the transfer of shares. The Shareholders' General Meeting may also decide on other criteria for determining the remuneration. Directors may also get reimbursement for their travel expenses and daily allowances in accordance with the company's travel policy.

If a Director has an employment or service relationship with the company, the Shareholders' General Meeting decides on the remuneration to be paid for his/her service on the Board of Directors. The Director's terms of employment or service shall be determined in accordance with the normal practice of the company.

5 Remuneration of the President and CEO

5.1 Elements of remuneration

The remuneration of the President and CEO may consist of a fixed base salary, variable remuneration including an annual performance bonus and a long-term incentive plan, additional pension benefit, and other financial benefits.

Fixed base salary

The fixed base salary is intended to be competitive and to reflect the scale and maturity level of the company's business, as well as the individual skills and experience of the President and CEO.

Variable remuneration

A significant part of the total annual target remuneration consists of variable remuneration elements. The Board of Directors approves the variable elements (annual performance bonus and long-term incentives) and determines the maximum pre-tax amount payable to ensure that the remuneration supports the long-term success of the company in the best possible way. The annual maximum amount to be paid is set out in the Remuneration Report. Typically, the proportion of long-term incentives in the targeted overall remuneration is at least equal to the annual bonus.

Short-term incentives

The purpose of the annual performance bonus is to steer the President and CEO towards the achievement of the company's short-term financial and operational targets and to support the implementation of the company's strategy in the short term. The Board of Directors sets the performance metrics and their respective weightings and targets for each year separately. In general, the performance metrics are based on growth, profitability and/or other targets, primarily numerical, which are based on the implementation of the strategy. The cash bonus based on the achievement of the performance metrics, as determined by the Board of Directors, is paid after a one-year performance period. The performance metrics, their weightings and targets (if not considered commercially sensitive) will be published in the Remuneration Report.

Long-term incentives

The purpose of the long-term incentive plan is to steer the President and CEO to implement the company's strategy and to increase shareholder value in the long term, and to retain the President and CEO in the company. The long-term incentive plan is based on the share-based remuneration plan approved by the Board of Directors. The plan may consist of multiple individual earning periods, each lasting at least one year, each of which including a restriction period. The total duration of the earning and restriction period is typically three years. Each earning period may have one or more performance metrics. If the reward is paid earlier than three years after the start of the earning period, the reward is subject to a transfer restriction which expires at the earliest three years after the start of the earning period for which the reward was paid.



The performance metrics of a long-term incentive plan are usually based on the company's financial and/or operational performance indicators, total shareholder return and/or the company's strategic objectives and sustainability. The Board of Directors defines the weighting and target for each performance metric. The performance metrics, their weightings and targets (if not considered commercially sensitive) are reported in the Remuneration Report.

The President and CEO's shareholding in the company strengthens the entrepreneurial approach of Kamux and the alignment of the interests of the President and CEO and shareholders in the long term. The President and CEO may be recommended or required to accumulate shareholding in Kamux to a level where the value of his/her shareholding is at least equal to his/her annual fixed base salary.

Supplementary pension benefit

According to the local market practice, the President and CEO may receive a supplementary pension benefit in the form of a defined contribution pension plan calculated based on a percentage of the CEO's annual fixed base salary or a cash allowance in lieu of a pension contribution.

Other financial benefits

The President and CEO may be entitled to fringe benefits, such as a telephone and car allowance or other benefits. In addition, the President and CEO may have benefits approved by the Board of Directors related to his/her service agreement (such as a health insurance) or benefits available to the employees of the company. Benefits approved by the Board of Directors must be of low value in relation to the other elements of remuneration.

5.2 Key terms of the service agreement

The terms of the managing director service agreement of the President and CEO are specified in writing and approved by the Board of Directors. The agreement is typically in force until further notice, but it may also be a fixed term agreement. The reciprocal notice period is usually six months.

The severance compensation and other termination provisions are consistent with market practice at the time of conclusion of the managing director service agreement and in line with the financial position and maturity level of the company. No severance compensation is paid if the agreement is terminated by the President and CEO. The retirement age may be agreed to be below the retirement age specified in the current legislation on occupational pensions.

If agreement of the President and CEO is terminated before the payment of the annual performance bonus or the expiry of the transfer restriction as provided in the terms of the long-term incentive plan, the Board of Directors may, at its discretion, decide whether the President and CEO will be paid the annual performance bonus and/or the long-term incentive reward and whether (s)he is entitled to some or all of the shares received under the long-term incentive plan, which are subject to the transfer restriction at the time of termination. The Board of Directors may decide on conditions on the basis of which the rewards will be paid.

5.3 Reduction, deferment, and recovery of remuneration

The Board of Directors has the right to reduce or defer the payment of rewards under the incentive plans until such time that the payment is more favourable to the company, if there are, for example, changes in circumstances beyond the company's control or other circumstances which would, in accordance with the terms of a plan result in an unfavourable or unreasonable outcome for the company or the President and CEO.

In addition, the Board of Directors may, at its discretion, decide not to pay remuneration or to claw back remuneration already paid if the recipient has been found guilty, or there is a material reason to believe that the recipient is guilty, of such misconduct or violation of the company's ethical or sustainability principles or instructions that may not be considered minor when assessed as a whole.

6 Specific situations and temporary deviation

In certain circumstances, it may be in the long-term interest of Kamux shareholders and in the interests of the company's financial development that the Board of Directors may temporarily deviate from the Remuneration Policy. The Board of Directors may, after careful consideration, decide to deviate from the Remuneration Policy in certain specific situations, such as the following examples:

- Change of the President and CEO
- Appointment of an interim President and CEO
- A significant transaction, such as a takeover bid, an acquisition or divestment, merger, demerger or other corporate structuring deemed significant by the Board of Directors
- Significant change in Kamux's financial position or business strategy
- Significant and justifiable grounds for changing the remuneration of the President and CEO or the CEO's deputy CEO (if any)
- Immediate retention needs arising from external circumstances
- Changes in legislation, regulation, taxation or similar factors affecting the operating environment

Deviations from the Remuneration Policy may be made with respect to the elements of remuneration, terms of the managing director service agreement, structure and mechanisms of incentive plans, earning periods and/or restriction periods, performance metrics and their weightings and targets, or payment methods, to the extent the Board of Directors deems necessary to ensure the long-term success of the company.

A temporary deviation from the Remuneration Policy requires careful consideration and must be justified transparently to shareholders at the latest in the Remuneration Report to be submitted to the next AGM. If the temporary deviation continues and may no longer be considered temporary, the Board of Directors must submit a new Remuneration Policy to the next Shareholders' General Meeting.