

*Unofficial translation*

## LUOTEA PLC'S REMUNERATION POLICY

### 1) INTRODUCTION

This Remuneration Policy of Lassila & Tikanoja Plc (company named Luotea Plc as of 31 December 2025) (the "Company") is the Company's Remuneration Policy as referred to in legislation and the Corporate Governance Code. It defines the principles for the remuneration of the Board of Directors, the CEO and any deputy CEO registered with the Trade Register. In accordance with the applicable rules, the policy will be presented to the company's Annual General Meeting for approval on 21 March 2024 and it is intended to be complied with for a period of four years until the Annual General Meeting in 2028. The decision of the Annual General Meeting is advisory, but all remuneration must be in accordance with the remuneration policy presented to the Annual General Meeting. No significant changes have been made to the Remuneration Policy compared to the previous Remuneration Policy.

The company presents on its website information on the remuneration principles of the Board of Directors, the CEO and the Management Team, the remuneration schemes in force and information on the remuneration of the Management Team at the overall level.

The objective of the remuneration scheme for the Board of Directors and the CEO is to contribute to the favorable development of shareholder value, to promote the company's competitiveness, long-term financial success and the achievement of the company's targets and strategy.

The key principle of the Remuneration Policy is that the remuneration of the Board of Directors and the CEO shall promote the achievement of the above-mentioned objectives and offer an entity that is of a fair, committing, competitive and market practice in terms of its level and structure.

The aim of all remuneration in the Lassila & Tikanoja (Luotea as of 31 December 2025) Group is to encourage good performance and motivate employees to work persistently to achieve the company's goals. Remuneration is one of the company's efforts to ensure that talented and motivated people are recruited for each position at all levels of the organization. These principles also apply to the remuneration of the members of the Board of Directors and the CEO.

The decision-making concerning remuneration is described separately below for the members of the Board of Directors and the CEO. The provisions of the Limited Liability Companies Act concerning the disqualification of a member of the Board of Directors and the Managing Director are complied with in decision-making.

## 2) DESCRIPTION OF THE DECISION-MAKING PROCESS

### 2.1 Preparation and approval

The Remuneration Policy and any material amendments thereto are prepared by the Personnel and Sustainability Committee of the Board of Directors or a similar body to which the preparation of remuneration has been assigned. The Board of Directors discusses and approves the Remuneration Policy to be presented to the Annual General Meeting and any material amendments to it. The Annual General Meeting will make an advisory decision on whether it supports the proposed remuneration policy. Shareholders may not propose changes to the remuneration policy presented to the Annual General Meeting. If the majority of the General Meeting does not support the remuneration policy proposed to it, the revised Remuneration Policy shall be presented to the next Annual General Meeting at the latest. In this case, the decision on the remuneration of the Board of Directors and the CEO will be based on the remuneration policy presented to the Annual General Meeting until the revised Remuneration Policy has been discussed at the Annual General Meeting.

### 2.2 Follow-up

The Personnel and Sustainability Committee of the Board of Directors monitors the implementation of the Remuneration Policy annually and, if necessary, presents its proposals for measures to the Board of Directors to ensure the implementation of the Remuneration Policy. The Board of Directors proposes the remuneration policy to the Annual General Meeting as necessary, but at least every (4) year.

In addition, the Board of Directors annually presents a remuneration report to the Annual General Meeting, which enables shareholders to assess the implementation of the remuneration policy in the company. The Annual General Meeting decides on the approval of the Remuneration Report. The Annual General Meeting's decision on the Remuneration Report is advisory.

### 2.3 Implementation

The Annual General Meeting of Lassila & Tikanoja Plc (Luotea Plc as of 31 December 2025) decides annually on the remuneration of the members of the Board of Directors based on a proposal prepared by the most significant shareholders. The decision on the remuneration of the members of the Board of Directors is based on the remuneration policy presented to the Annual General Meeting.

The company's Board of Directors decides on the remuneration of the CEO in accordance with the remuneration policy. The Personnel and Sustainability Committee prepares matters concerning remuneration with the assistance of independent external experts, if necessary.

## 3) DESCRIPTION OF THE REMUNERATION OF THE BOARD OF DIRECTORS

The Annual General Meeting decides annually on the remuneration to be paid to the members of the Board of Directors for their work on the Board of Directors and committees. The proposal for remuneration to the Annual General Meeting is made by the Shareholders' Nomination Board.

The remuneration of the Board of Directors may consist of one or more components. The members of the Board of Directors may be paid, for example, an annual or monthly fee as well as a meeting fee for meetings of the Board of Directors, its committees or other bodies. The rewards may be paid in cash and/or in part or in full shares or other financial instruments.

#### **4) DESCRIPTION OF THE REMUNERATION OF THE CEO**

The Board of Directors decides on the remuneration and financial benefits of the President and CEO annually. Before the Board of Directors makes a decision, the matter is prepared by the Board's Personnel and Sustainability Committee. The President and CEO is not a member of the Personnel and Sustainability Committee and does not participate in decision-making in matters concerning his remuneration.

##### 4.1 Remuneration components used in remuneration and their proportional proportions

The CEO's remuneration scheme consists of a fixed monthly salary with fringe benefits and variable remuneration components decided separately annually, which may consist of, among other things, a short-term performance-based incentive plan and a long-term share-based incentive plan or other similar long-term incentive plan.

The proportional proportions of the remuneration components may vary based on the targets set by the Board of Directors and their achievement.

##### 4.2 Components of possible variable remuneration and the criteria for determining them

The variable remuneration components are determined on the basis of the targets confirmed by the Board of Directors. The targets are set in such a way that they support the implementation of the company's strategy and long- and short-term financial success. In addition to financial criteria, the objectives may also include other criteria.

###### *Short-term incentive plan*

The CEO's possible short-term incentive may be based on the Group's result or other criteria decided by the Board of Directors. The targets for the short-term incentive are set, and their achievement is primarily assessed annually. A prerequisite for the payment is that the CEO's employment relationship is valid at the time of payment, unless the Board of Directors decides otherwise in an individual case.

###### *Long-term incentive plan*

The long-term incentive for the CEO may be a share-based incentive scheme or another similar scheme. The company's Board of Directors decides on a share-based or other long-term

incentive plan, the performance period of which is primarily three calendar years. The Board of Directors decides on the performance criteria for the performance period and the maximum amount of the share-based reward based on the proposal of the Personnel and Sustainability Committee. The reward may be paid partly in shares and partly in cash.

A prerequisite for the payment of the reward is that the CEO's employment relationship is valid at the time of payment, unless the Board of Directors decides otherwise in an individual case. The shares earned on the basis of the incentive plan may be subject to transfer restrictions or an obligation to return the payments in situations separately determined by the Board of Directors. In addition, a condition may be imposed on the CEO that he must own a certain number of shares during the period of service.

#### 4.3 Other key terms and conditions applicable to the employment relationship

The terms and conditions applicable to the CEO's employment relationship are agreed in the CEO's service contract approved by the Board of Directors, the key terms and conditions of which (including the terms and conditions concerning the notice period and possible compensation for the notice period) are described on the company's website. The principle for defining the terms and conditions of the CEO's employment is that the terms and conditions offer the CEO a package of remuneration that is competitive in terms of its level and structure and in accordance with market practice.

#### 4.4 Terms and conditions for deferral of remuneration and possible recovery

The company's possibilities to postpone remuneration and to reclaim variable rewards that have already been paid are determined on the basis of the terms and conditions included in the incentive plans and the applicable Finnish legislation.

### **5) DEVIATION FROM THE REMUNERATION POLICY AND CHANGES TO THE REMUNERATION POLICY**

The company may temporarily deviate from the remuneration policy presented to the Annual General Meeting if the deviation is necessary to ensure the company's long-term interests and the current remuneration policy would no longer be appropriate in the changed circumstances. Such situations include, for example, a change in the Board of Directors or the CEO, a significant change in the company's strategy, changes in the company's decision-making process concerning remuneration, corporate restructuring, such as a merger, takeover bid or acquisition, as well as changes in taxation or other regulation or case law. The deviation may apply to all parts of the remuneration. Regarding the CEO, the Board of Directors decides on the deviation.

Material changes to the Remuneration Policy are prepared and presented to the Annual General Meeting in accordance with the decision-making process described in section 2. In addition, the company may make non-material changes to the remuneration policy without presenting the amended policy to the Annual General Meeting. Such permitted non-material changes include, for example, technical changes to the decision-making process concerning

remuneration or terminology concerning remuneration. Amendments to legislation may also be grounds for making non-essential changes to the remuneration policy of governing bodies.

The company's Board of Directors assesses the need to amend the remuneration policy. Depending on the situation, the company will consider to what extent and to what extent the decision of the Annual General Meeting on the previous remuneration policy or the statements given on the remuneration reports published after the confirmation of the remuneration policy are significant in the preparation of the new remuneration policy.

When amending the Remuneration Policy, the introduction to the Remuneration Policy explains:

- significant changes to the current Remuneration Policy;
- how the new remuneration policy has taken into account the decision of the Annual General Meeting on the previous remuneration policy; and
- how the new remuneration policy has taken into account the shareholders' positions presented in the Annual General Meeting proceedings of the remuneration reports published after the confirmation of the previous remuneration policy.

## 6) MISCELLANEOUS

What has been stated about the CEO in this remuneration policy also applies to a possible deputy CEO registered with the Trade Register. However, in terms of the level and structure of remuneration, the Board of Directors is not bound to the remuneration of the CEO when deciding on the remuneration of the Deputy CEO.