

# REMUNERATION REPORT

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I INTRODUCTION

Puuido Plc’s (hereinafter referred to as “Puuido” or “the company”) corporate governance complies with the Finnish Limited Liability Companies Act and the Finnish Corporate Governance Code for Finnish listed companies published by Securities Market Association in 2025.

Puuido’s Remuneration Report for 2024 complies with the Remuneration Policy published on 17 May 2022. The Remuneration Policy was approved by the Annual General Meeting held on 17 May 2022. It is available on Puuido’s investor website at <https://www.investors.puuido.fi/en/>.

The Remuneration Policy is presented to the shareholders every four years and whenever there is a need for significant amendments. The Audit Committee regularly reviews the Remuneration Policy to ensure its compliance with Puuido’s strategic goals and long-term financial targets before its presentation at the 2026 Annual General Meeting.

This remuneration report covers Puuido’s financial period 1 February 2024 – 31 January 2025 (“the 2024 financial period”). This remuneration report has been reviewed by The Audit Committee and approved by the Board of Directors. An external auditor has ensured that the report contains the information required and that it is consistent with the financial statements. The remuneration report will be reviewed at the Annual General Meeting 2025. The remuneration report provides information on the remuneration paid to the Board of Directors and the CEO. The remuneration and other financial benefits have been reported on an accrual ba-

sis. The company will publish the remuneration report on its investor website.

The objective of remuneration at Puuido is to promote the company’s competitiveness and to support strategy implementation. In addition, remuneration aims to commit key employees and the entire personnel to the company in the long term in order to achieve the shared objectives and to create value for the shareholders. The Annual General Meeting decides on the remuneration of the Board of Directors. The Board decides on the terms and conditions of the employment of the CEO, in a written agreement. The Board also decides on the terms and conditions of the long-term incentive programs (Performance matching share plans), which the CEO is entitled to participate in.

II DEVELOPMENT OF PUUILO’S REMUNERATION AND FINANCIAL PERFORMANCE

The table below presents the remuneration development of the Board and the CEO compared to the development of the average remuneration of Puuido’s employees and Puuido’s financial development during the last five years.

Puuido’s business has grown significantly over the past five years. Prior to the stock exchange listing in June 2021, only the Chair of the Board was paid a fee for working on the board and the Board did not have any committees.

| Remuneration                         | 1 Feb. 2024 -<br>31 Jan. 2025 | 1 Feb. 2023 -<br>31 Jan. 2024 | 1 Feb. 2022 -<br>31 Jan. 2023 | 1 Feb. 2021 -<br>31 Jan. 2022 | 1 Feb. 2020 -<br>31 Jan. 2021 |
|--------------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Chair of the Board                   | 60,000                        | 60,000                        | 60,000                        | 47,500                        | 30,000                        |
| Other members of the Board (average) | 32,000                        | 32,000                        | 32,000                        | 20,417                        | -                             |
| CEO                                  | 195,540                       | 182,940                       | 182,940                       | 171,000                       | 137,280                       |
| Average Puuido employee**            | 37,886                        | 37,158                        | 34,562                        | 32,754                        | 32,082                        |

Development of financial performance (EUR million)

|                       |        |        |        |        |        |
|-----------------------|--------|--------|--------|--------|--------|
| Net sales             | 383.4  | 338.4  | 296.4  | 270.1  | 238.7  |
| Adj. EBITA            | 67.0   | 54.1   | 48.8   | 48.4   | 43.2   |
| Adj. EBITA margin (%) | 17,5 % | 16,0 % | 16,5 % | 17,9 % | 18,1 % |
| EBIT                  | 65.1   | 52.8   | 47.0   | 44.5   | 41.5   |
| EBITA margin (%)      | 17,0 % | 15,6 % | 15,9 % | 16,5 % | 17,4 % |

The figures are reported on a cash basis and do not include social or pension costs.

\*) Puuido Group personnel expenses divided by the number of full-time employees at the end of the reporting period

III REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS

The Annual General Meeting held on 15 May 2024 confirmed the following annual fees for the members of the Board of Directors:

|                            | EUR    |
|----------------------------|--------|
| Chair of the Board         | 60,000 |
| Other members of the Board | 30,000 |

The remuneration of the Board of Directors is monetary. The Board of Directors’ remuneration is based on an annual fee, and the members are not paid separate meeting fees in addition to this. Travel expenses incurred by the Board meetings are reimbursed in accordance with the company’s travel expense policy. Pension payments are not included in the remuneration of the Board of Directors. Members of the Board of Directors are not included in Puuilo’s long-term incentive programs.

The Annual General Meeting held on 15 May 2024 confirmed the following annual fees for the members of the Audit Committee:

|                                      | EUR   |
|--------------------------------------|-------|
| Chair of the Audit Committee         | 5,000 |
| Other members of the Audit Committee | 2,500 |

Fees paid to the members of the Board 1 February 2024 – 31 January 2025 (EUR)

| Name             | Position                                                               | Board annual fee | Audit Committee fee | Total   |
|------------------|------------------------------------------------------------------------|------------------|---------------------|---------|
| Lasse Aho        | Chair                                                                  | 60,000           |                     | 60,000  |
| Bent Holm        | Member of the Board                                                    | 30,000           |                     | 30,000  |
| Jens Joller      | Member of the Board, member of the Audit Committee (from 15 May 2024)  | 20,000           | 1,667               | 21,667  |
| Mammu Kaario     | Member of the Board, Chair of the Audit Committee                      | 30,000           | 5,000               | 35,000  |
| Rasmus Molander  | Member of the Board, member of the Audit Committee (until 15 May 2024) | 10,000           | 833                 | 10,833  |
| Anne-Mari Paapio | Member of the board (from 15 May 2024)                                 | 20,000           |                     | 20,000  |
| Tuomas Piirtola  | Member of the Board, member of the Audit Committee                     | 30,000           | 1,667               | 31,667  |
| Markku Tuomaala  | Member of the Board, member of the Audit Committee (until 15 May 2024) | 10,000           | 833                 | 10,833  |
| Total            |                                                                        | 210,000          | 10,000              | 220,000 |

IV REMUNERATION OF CEO

The salary of the CEO consists of a fixed monthly salary and customary fringe benefits. The CEO is entitled to participate in the company’s long-term incentive plan, the CEO does not have a short-term incentive plan. The company’s CEO is entitled to a statutory pension benefit. The company does not have in place any additional pensions or collateral arrangements. The retirement age of the company’s CEO is determined in accordance with the legislation in effect.

In the financial period 1 February 2024 – 31 January 2025 the total remuneration including fixed monthly salary and fringe benefits paid to the CEO was EUR 195,540. The CEO was not paid any performance bonus, additional pensions or other additional benefits.

Each Performance Matching Share Plan covers has one performance period, spanning three financial years. The performance criteria are the Total Shareholder Return of the Puuilo share (TSR) and the Adjusted EBITA of the Puuilo Group. The achievement of the targets set for the performance criteria will determine the proportion out of the maximum reward that will be paid as reward to participants. The prerequisite for participation in the plan and receiving reward on the basis of the plan is that a participant personally has acquired Puuilo shares up to the number determined by the Board of Directors. Furthermore, payment of reward is based on the participant’s valid employment or service upon reward payment.

Primarily, the rewards from the plan will be paid partly in the company’s shares and partly in cash after the end of the performance period of each plan. The cash

proportion is intended to cover taxes and tax-related costs arising from the reward to the participant. As a rule, no reward will be paid, if a participant’s employment or service terminates before the reward payment. The CEO is obliged to keep the shares paid as a reward for twelve months after the reward payment.

Long-term incentive plans effective in the financial year 2024

|                                                     | PSP 2022-2024                                                         | PSP 2023-2025                                                         | PSP 2024-2026                                                         |
|-----------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------------------------|
| Performance period                                  | Financial years 2022 – 2024                                           | Financial years 2023 – 2025                                           | Financial years 2024 – 2026                                           |
| Grant date                                          | 3 June 2022                                                           | 12 May 2023                                                           | 10 May 2024                                                           |
| Grant date share price (EUR)                        | 5.34                                                                  | 7.29                                                                  | 10.70                                                                 |
| Performance criteria                                | Total Shareholder Return of the Puuilo share (TSR) and Adjusted EBITA | Total Shareholder Return of the Puuilo share (TSR) and Adjusted EBITA | Total Shareholder Return of the Puuilo share (TSR) and Adjusted EBITA |
| Criteria outcome (out of maximum level)             | To be confirmed after the end of financial year 2024                  | To be confirmed after the end of financial year 2025                  | To be confirmed after the end of financial year 2026                  |
| Maximum number of share awards to be granted (pcs)* | 15.474                                                                | 7.605                                                                 | 2.919                                                                 |
| Number of shares received                           | -                                                                     | -                                                                     | -                                                                     |
| Payment in cash (EUR)                               | -                                                                     | -                                                                     | -                                                                     |
| Payment date                                        | By the end of May 2025                                                | By the end of May 2026                                                | By the end of May 2027                                                |
| Share price on payment date, EUR                    | -                                                                     | -                                                                     | -                                                                     |
| Commitment period end date                          | By the end of May 2025                                                | By the end of May 2026                                                | By the end of May 2027                                                |

\* Gross number of shares netted with the applicable withholding tax. The net amount will be paid in shares.