



2024

Remuneration Report



SOLWERS PLC

This is the remuneration report of Solwers Plc ("Solwers") in accordance with the legislation and the Corporate Governance Code of the Securities Market Association, effective from January 1, 2025.

The remuneration report covers the remuneration of the members of the Board of Directors and the CEO for the year 2024. The remuneration report is based on the remuneration policy of Solwers' governing bodies, which was discussed at the Annual General Meeting on April 25, 2024. The General Meeting decided to approve the proposed remuneration policy. The Compensation Committee has prepared the remuneration report, and the Board of Directors approved it in its meeting on March 20, 2025. The remuneration report will be discussed at Solwers' Annual General Meeting in 2025.



Foreword

John Lindahl

Chair of the Nomination and Remuneration Committee

The year 2024 was challenging for the Company in terms of profitability. Also, the market turnaround was still awaited. Still, the Company continued to implement its strategy and focused on long-term goals, laying a strong foundation for future growth.

The activities of the Board of Directors were exceptionally intensive this year. The board established an Audit Committee and a Nomination and Remuneration committee to enhance decision-making and deepen oversight responsibilities. These committees began their work immediately, significantly increasing the workload and responsibilities of the board members. In 2024, the board and its committees met a total of 38 times, including 8 Audit Committee meetings and 5 Nomination and Remuneration Committee meetings.

The increase in meeting fees is primarily due to the increased workload and the rise in the number of meetings. In 2024, the board frequently addressed strategically important issues such as governance development, acquisitions, and the potential listing of the

Company on the main market of Nasdaq Helsinki Stock Exchange. The rise in per-meeting fees directly resulted from this increased activity.

Additionally, the board adjusted meeting fees from the 2023 level to better align with market rates. This ensures that the compensation paid to board members is competitive and that the Company can attract and retain high-caliber board members.

All these factors together explain why the board fees for 2024 have increased compared to previous years.

Regarding the CEO's remuneration, the board is satisfied with the overall structure. The variable remuneration for the CEO emphasizes the Company's strategic focus areas, with significant weight given to improving profitability. The aim of the CEO's remuneration is to strengthen the Company's market position and create long-term value for shareholders.



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1. Introduction

During the financial year 2024, the Company's remuneration policy for governing bodies was adhered to in the management's remuneration.

The structure of the remuneration promotes the Company's long-term financial success. Remuneration within the Solwers group is based on performance and expertise and is competitive. It engages key personnel and is as consistent as possible, considering the quality and scope of the Company. The aim is to pay competitive salaries to attract and retain the necessary expertise.

Incentive schemes are designed to align the interests of key personnel and shareholders, ensuring the Company's performance and long-term value growth, while encouraging and rewarding key personnel for achieving strategic results.

As part of the development of remuneration, the Company introduced a share-based incentive plan for 2024–2026, with the first measurement period being the year 2024.

Comparison data

Below is a table presenting comparison data showing how the fees paid to the board members and the CEO have developed over the past five financial years compared to the development of average employee remuneration and the Company's financial performance over the same period.

The Company's financial performance is expressed by presenting revenue. The data is presented at the group level. The development of employee remuneration is expressed by presenting the personnel expenses according to the Company's financial statements divided by the number of employees over five years.

The CEO's remuneration or personnel expenses do not include long-term performance-based incentives for the year 2024 that are yet to be determined. Personnel expenses do not include short-term performance-based incentives for the year 2024 that are also yet to be determined.

	2024	2023	2022	2021	2020
Board fees	312	80	95	75	46
CEO fees	227	172	152	157	136
Personnel expenses per employee/year	52,813	51,636	48,833	51,818	50,941
Average number of employees	709	611	600	397	297
Revenue (EUR thousand)	78,280	65,991	62,796	44,662	32,649

Figures in the table are performance-based (EUR thousand)



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2. Board Fees for the Previous Financial Year

The Annual General Meeting on April 25, 2024, decided on the remuneration of the Board as follows:

- The Chairman of the Board is paid EUR 4,000 per meeting, and each Board member is paid EUR 2,500 per meeting.
- The Chairman of the Audit Committee (AC) is paid EUR 1,500 per meeting, and

each member is paid EUR 1,000 per meeting.

- The Chairman of the Nomination & Remuneration Committee (RemCo) is paid EUR 1,000 per meeting, and each member is paid EUR 750 per meeting.

Board meeting fees paid in 2024 for Board and Committee work (EUR)

Name	Board fee*	AC fee*	RemCo fee*	Total	Accrued fees
Leif Sebbas	61,000	3,000	1,500	65,500	34,750
John Lindahl	49,000	4,000	2,500	55,500	25,500
Johanna Grönroos	12,500	1,500	-	14,000	26,000
Hanna-Maria Heikkinen	49,000	2,000	2,250	53,250	20,000
Emma Papakosta	49,000	-	750 €	49,750	17,000
Mari Pantsar	36,500	-	1,500	38,000	-
Total	257,000	10,500	8,500	276,000	123,250

*Figures in the table are cash-based

The Board fees accrued for the earning period have totalled EUR 123,000 after the financial year, and the cash-based Board fees include a total of EUR 88,000 for the 2023 earning period.



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3. CEO Remuneration for the Financial Year 2024

The CEO of the Company throughout the financial year 2024 has been Stefan Nyström.

The board decides on the CEO's remuneration. The CEO's salary consists of a fixed base salary, short-term and long-term variable remuneration, and fringe benefits. The CEO's fixed base salary is EUR 13,500 per month.

The goal of short-term variable remuneration is to reward the CEO with 10–30 per cent of the annual fixed base salary, and the maximum bonus can be equivalent to four months' salary. The bonus is determined based on the Company's financial performance.

The basis for long-term variable remuneration are performance-based share incentive programmes, which provide the CEO with the opportunity to receive the Company's shares as long-term incentives.

The board decides on the granting of long-term incentive rewards annually based on the proposal of the Nomination and Remuneration Committee.

The CEO is part of the Company's share-based incentive plan for 2024–2026, with the first measurement period (1 year) criterion being the Company's operating profit margin (EBIT-%). The CEO can earn a maximum of 6,000 Company shares gross during the entire earning period (2024–2026). Any bonuses earned from the system will be paid during the financial year 2027.

The CEO is entitled to the same usual fringe benefits as other employees, such as lunch and culture vouchers. The CEO is also paid an additional pension of EUR 8,000 per year. The additional pension is cash-based, and the corresponding earliest retirement age has already been reached.

The CEO's notice period is 6 months.

Total remuneration of CEO (EUR)

Paid bonuses, fringe benefits, and pension benefits in 2024 in total	218,285
Fixed cash salary (incl. fringe benefits, holiday pay and bonus)	169,785
Short-term remuneration (for the year 2023)	40,500
Additional pension	8,000

CEO's deferred remuneration - to be paid in 2025 (EUR)

Short-term remuneration (for the year 2024)	8,400
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Relative shares of fixed and variable remuneration components

In 2024, the CEO was paid a total of EUR 40,500.00 in performance and share-based bonuses, which is 18.6 per cent of their total remuneration. The maximum performance bonus for the CEO was 25.0 per cent of the annual base salary. The CEO was paid a performance bonus of EUR 40,500.00, which was about 18.6 per cent of the CEO's annual salary. No share-based bonuses were paid to the CEO, as there was no share-based remuneration system in 2023, and no information was available for 2024 at the time of preparing the report.

Application of performance criteria for variable bonuses

The performance bonus paid in 2024 was earned in 2023. The key metrics for the CEO's performance bonus in 2023 were related to results, organic growth, and responsibility with different weightings. Additionally, the CEO's overall performance was used as the basis for remuneration.

Variable remuneration for 2024

The performance bonus of EUR 8,400 for the CEO for the year 2024 (to be paid in 2025) is primarily based on the Company's profitability and organic growth.

