



Oma Savings Bank Plc's  
**Remuneration Report**  
**2023**



This Remuneration Report presented to the Annual General Meeting of Oma Savings Bank Plc (hereinafter OmaSp or Company) explains the remuneration paid and due to the Company's Board of Directors and the CEO for the previous financial year.

## Introduction

OmaSp's AGM on 15 June 2020 confirmed the Company's Remuneration Policy that is in line with the Company's business strategy, objectives and values and corresponds to the long-term interest of the Company.

The Remuneration Policy defines the principles and processes of the remuneration of the governing bodies in a way that best supports the successful implementation of the Company's strategy and, consequently, the increase in ownership value. The remuneration policy also enables the recruitment and commitment of talented management and the Board to the Company.

The Company has followed the established Remuneration Policy for the Board of Directors and the CEO, as well as the Deputy CEO, without exception. This Remuneration Report describes in more detail the remuneration of the governing bodies for the financial year 2023.

Section four below describes the development of the Remuneration of the Board and the CEO in relation to the development of the average remuneration of the Company's employees and the Company's financial development from the previous five financial years.

## 1 Remuneration of the Board of Directors for the previous financial year

Regarding the Board's remuneration from 1 January to 30 March 2023, the decision made by the Annual General Meeting on 30 March 2022 was complied

with, according to which the members of the Board were remunerated for the term ending at the 2023 AGM as follows:

The Chairman of the Board was paid an annual fee of EUR 55,000, the Vice Chairman of the Board was paid an annual fee of EUR 41,250, and each member of the Board was paid an annual fee of EUR 27,500. These annual fees were paid to the Board members during the financial year 2022.

In addition, the Board members were paid a meeting fee of EUR 1,000 per meeting. A meeting fee of EUR 500 per meeting were paid for email meetings and/or committee meetings.

The AGM on 30 March 2023 decided, in accordance with the proposal of the Shareholders' Nomination Committee, that the members of the Board will be remunerated as of 30 March 2023 for the term ending at the 2024 AGM as follows:

The annual remuneration of the Chairman of the Board of Directors is EUR 55,000, the annual remuneration of the Vice-Chairman of the Board of Directors is EUR 41,250 and the annual remuneration of the Board member is EUR 27,500. These fees were paid to the members in May 2023.

In addition, the members of the Board were paid a meeting fee of EUR 1,000 per meeting. A meeting fee of EUR 500 per meeting were paid for e-mail meetings and committee meetings.

As a condition for receiving and paying the fixed annual remuneration the member of the Board of Directors, commits to purchase OmaSp's shares amounting to 40% of the fixed annual remuneration on the regulated market (Nasdaq Helsinki Ltd) at a price determined by trading. In addition, the recommendation is that the member of the Board of Directors would not transfer the shares acquired with an annual remuneration until the membership in the Board has expired



For 2023, the members of the Board of Directors were remunerated as follows:

Between 1 January – 30 March 2023

	<b>Annual fees</b>	<b>Meeting fees</b>
Jarmo Salmi, Chairman		3,500 €
Jyrki Mäkynen, Vice Chairman		3,500 €
Aila Hemminki		3,500 €
Aki Jaskari		3,500 €
Timo Kokkala		3,500 €
Jarmo Partanen		3,500 €
Jaana Sandström		3,500 €
In total		24,500 €

The annual fee was paid in the previous financial year.

Between 30 March – 31 December 2023

	<b>Annual fees</b>	<b>Meeting fees</b>
Jarmo Salmi, Chairman	55,000 €	11,000 €
Jyrki Mäkynen, Vice Chairman	41,250 €	11,000 €
Aila Hemminki	27,500 €	11,000 €
Aki Jaskari	27,500 €	11,000 €
Timo Kokkala	27,500 €	11,000 €
Jaakko Ossa	27,500 €	11,000 €
Jaana Sandström	27,500 €	11,000 €
In total	233,750 €	77,000 €

The members of the Remuneration Committee were Jarmo Salmi, Jyrki Mäkynen and Aila Hemminki. The Remuneration Committee met two times: once between 1 January and 30 March 2023 and once between 30 March and 31 December 2023. All committee members attended the meetings.

Remuneration was paid to the members of the committee as follows:

	<b>Meeting fees</b>
Jarmo Salmi	1,000 €
Jyrki Mäkynen	1,000 €
Aila Hemminki	1,000 €
In total	3,000 €

## 2 Remuneration of the CEO and Deputy CEO for the previous financial year

### Fixed reward

For the financial year 2023, CEO Pasi Sydänlammi's fixed annual salary was EUR 945,000 and fringe benefits EUR 2,494.

In addition to the statutory pension insurance, the annual cost of voluntary pension insurance acquired by the Company for Sydänlammi was EUR 187,625 in the financial year 2023. On the basis of voluntary pension insurance, according to the terms of the insurance, the insurance policy will be paid for the retirement pension of the insured from 60 years 1 month to 70 years. The amount of the pension is calculated on the basis of the calculation criteria, the terms of insurance and the price list of the accumulated insurance savings per insurer. In the event of death or permanent incapacity of the insured, a one-off indemnity of



100 percent of the insured's individual insurance savings will be paid to the beneficiary in accordance with the terms of the insurance.

For the financial year 2023, Deputy to the CEO and Head of Corporate Customer business Pasi Turtio's fixed annual salary was EUR 381,000, the additional pension EUR 56,250 and fringe benefits of EUR 240.

No other benefits were paid or due to the CEO and Deputy CEO during the financial year ended.

## Variable remuneration

The variable remuneration of the CEO and Deputy CEO consists of share-based incentive schemes. The purpose of the system is to combine the objectives of owners and executives to increase the Company's value in the long term, as well as to commit key persons to implement the Company's strategy, objectives and the Company's long-term interest and provide them with a competitive reward system based on the earning and accumulation of shares in the Company. The share-based incentive scheme is in force until further notice and the Board of Directors always decides individually on the earning periods, participants, allocations and criteria to be established in the scheme.

In the financial year 2023, the CEO and Deputy CEO were part of two share-based incentive schemes. Individuals had no other variable reward schemes during the earning period.

### **Share-based incentive schemes 2020–2021**

On 17 February 2020, the Company's Board of Directors decided to establish a share-based incentive scheme for the Group's key personnel. The share-based incentive scheme 2020–2021 had one two-year earning period, 1 January 2020 – 31 December 2021. The target group of the scheme included a maximum of 15 key employees, including the Company's CEO and Deputy CEO.

The reward of the scheme was based on a comparable cost-income ratio, growth in operating income (in comparable figures) and customer and employee satisfaction. The reward will be paid after the end of the earning period within approximately three years in four installments. Shares paid as a reward may not be transferred during the one-year waiting period set for the shares.

The maximum amount of remuneration payable for the entire earning period in shares for the CEO is 141,935 shares and respectively for the Deputy CEO 59,797 shares.

The CEO and Deputy CEO of the Company shall own at least 50 percent of the net shares paid to him/her on the basis of the scheme until the value of the CEO's share ownership in the Company corresponds to the value of his gross yearly salary and, respectively, the deputy's share ownership in the Company corresponds to a total of half the value of his gross annual salary. This amount of shares shall be owned as long as the CEO's relationship or the role of Deputy CEO continues.

On 24 February 2022, the Company's Board of Directors confirmed 336,150 shares of the 2020–2021 share-based incentive scheme for payment, including the contribution to be paid in cash. The target group of the scheme included 10 key people.

### **Share-based incentive schemes 2022–2023**

On 24 February 2022, the Company's Board of Directors decided to set up a new share-based incentive scheme for key members of the Group. The Board of Directors decided to establish a single two-year earning period for 2022–2023 under the share-based incentive scheme. The target group of the system consists of up to 30 key people, including the Company's CEO and members of the Management Team. The fees payable under the scheme correspond to a total of 400,000 OmaSp shares, including the share payable in cash.



The targets for the earning period 2022–2023 were: comparable cost/income ratio, comparable growth in operating income, credit arrears, accumulation of ECL amount, and customer and employee satisfaction. The reward will be paid after the end of the earning period within about five years in six instalments. Shares paid as a reward may not be disposed of during the one-year waiting period for the shares.

The CEO of a Company and the member of the Management Team shall own at least 50% of the net shares paid to him/her under the scheme until the value of the CEO's total shareholding in the Company corresponds to the value of his/her gross annual salary and, accordingly, the shareholding of a member of the Management Team in the Company equals a total of half the value of his/her gross annual salary. This number of shares must be owned as long as the CEO's employment or membership of the Management Team continues.

The terms of the share-based incentive scheme follow the principles of variable remuneration outlined in the Company's remuneration policy.

### 3 Deviation from remuneration policy and modification of remuneration policy

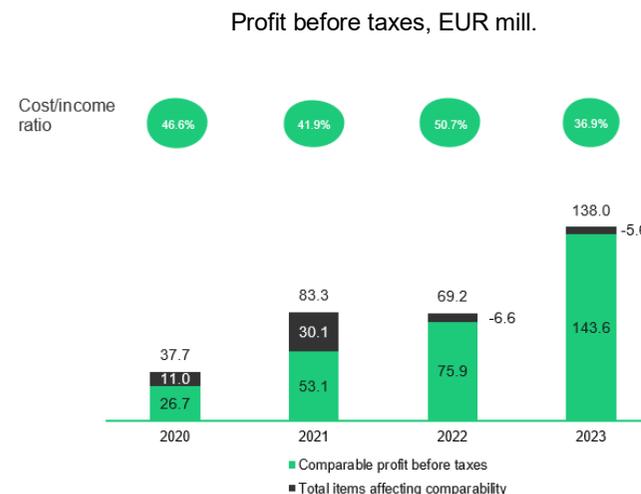
The Company has not deviated from its remuneration policy during the financial year 2023. The Company's Board believes that the Company has no need to temporarily deviate from the remuneration policy presented to the AGM on 15 June 2020, to ensure the Company's long-term interests.

No changes have been made to the remuneration policy during the financial year 2023. The remuneration policy will be discussed at the 2024 Annual General Meeting.



## 4 Comparison of remuneration over five years

The table below describes how the remuneration paid to the members of the Board of Directors and the CEO has developed during the previous financial years, compared to the average remuneration development of employees and the Company's financial development during the same period.



<b>Board of Directors</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Annual fees	233,750	233,750	212,500	212,500	143,666
Meeting fees	110,500	108,000	99,500	90,000	85,500
	344,250	341,750	312,000	302,500	229,166

<b>CEO and Deputy CEO</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Fixed annual salary	1,326,000	1,326,000	851,000	850,500	787,500
Variable reward (performance bonus)	0	0	0	49,000	49,000
Share-based incentive scheme	738,445*	1,427,445**	0	0	0
Supplementary pension contributions	243,875	243,875	156,250	156,250	156,250
Other – intrinsic benefits	2,734	2,200	2,200	2,200	2,125
	2,298,776	2,999,520	1,009,450	1,057,950	994,875

\* Share price on 24 March 2023

\*\* Share price on 28 March 2022



<b>CEO, Sydänlammi Pasi</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Salary	945,000	945,000	598,500	598,500	598,500
Performance bonus	0	0	0	49,000	49,000
Share-based incentive scheme	513,154*	991,955**	0	0	0
Supplementary pension	187,625	187,625	118,750	118,750	118,750
Fringe benefits	2,494	1,960	1,960	1,960	1,885
	<b>1,648,273</b>	<b>2,126,541</b>	<b>719,210</b>	<b>768,210</b>	<b>768,135</b>

\* Share price on 24 March 2023

\*\* Share price on 28 March 2022

<b>Deputy CEO, Turtio Pasi</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Salary	381,000	381,000	252,500	252,000	189,000
Performance bonus	0	0	0	0	0
Share-based incentive scheme	225,289*	435,489**	0	0	0
Supplementary pension	56,250	56,250	37,500	37,500	37,500
Fringe benefits	240	240	240	240	240
	<b>662,779</b>	<b>872,979</b>	<b>290,240</b>	<b>289,740</b>	<b>226,740</b>

\* Share price on 24 March 2023

\*\* Share price on 28 March 2022



<b>Personnel</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Bonus	631,547	433,273	265,246	250,361	162,431
Personnel fund	575,000	1,000,000	630,000	362,500	437,500
	1,206,547	1,433,273	895,246	612,861	599,931

<b>Personnel</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Performance bonuses	1,201,118	1,433,273	895,246	612,862	599,931
Personnel costs	28,658,842	24,203,867	19,350,371	15,807,567	16,075,306
Average number of employees	445	352	315	299	300
Personnel costs / person	64,402	68,761	61,430	52,868	53,584

