

Oma Savings Bank Plc's

# Remuneration Report

2021



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

## Introduction

Oma Savings Bank'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 2021.

Section five 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 2021, the decision made by the AGM on 15 June 2020 was complied with, according to

which the members of the Board were remunerated for the term ending at the 2021 AGM as follows:

The Chairman of the Board was paid an annual fee of EUR 50,000, the Vice Chairman of the Board was paid an annual fee of EUR 37,500, and each member of the Board was paid an annual fee of EUR 25,000. These annual fees were paid to the Board members during the financial year 2020.

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 remote meetings and committee meetings.

The AGM on 30 March 2021 decided, in accordance with the proposal of the Shareholders' Nomination Committee, that the members of the Board will be remunerated as of 30 March 2021 for the term ending at the 2022 AGM as follows:

The Board's annual fees remain unchanged.

In addition, the members of the Board are paid a meeting fee of EUR 1,000 per meeting. A meeting fee of EUR 500 per meeting is paid for one-thing 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 Oma Savings Bank Plc 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

Remuneration was paid to the members of the Board for 2021 meetings as follows:

Between 1.1.-30.3.2021

	<b>Meeting fees</b>
Jarmo Salmi, Chairman	4,000 €
Jyrki Mäkynen, Vice Chairman	4,000 €
Aila Hemminki	4,000 €
Aki Jaskari	4,000 €
Timo Kokkala	4,000 €
Heli Korpinen	4,000 €
Jaana Sandström	4,000 €
In total	28,000 €

The annual fee had been paid in the previous financial year.

Between 30.3. - 31.12.2021

	<b>Annual fees</b>	<b>Meeting fees</b>
Jarmo Salmi, Chairman	50,000 €	9,500 €
Jyrki Mäkynen, Vice Chairman	37,500 €	9,500 €
Aila Hemminki	25,000 €	9,500 €
Aki Jaskari	25,000 €	8,500 €
Timo Kokkala	25,000 €	9,500 €
Jarmo Partanen	25,000 €	9,500 €
Jaana Sandström	25,000 €	9,500 €
In total	212,500 €	65,000 €

Until 30 March 2021, the members of the Remuneration Committee were: Jarmo Salmi, Jyrki Mäkynen and Heli Korpinen, and as of 30 March 2021, the members of the Remuneration Committee were: Jarmo Salmi, Jyrki Mäkynen and Aila Hemminki. The Remuneration Committee met four times during the previous financial year: twice by 30 March 2021 and twice thereafter. All committee members attended the meetings.

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

	<b>Meeting fees</b>
Jarmo Salmi	2,000 €
Jyrki Mäkynen	2,000 €
Heli Korpinen	1,000 €
Aila Hemminki	1,000 €
In total	6,000 €

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

### Fixed reward

For the financial year 2021, CEO Pasi Sydänlammi's fixed annual salary was EUR 598,500 and fringe benefits EUR 1,960.40.

In addition to the statutory pension insurance, the annual cost of voluntary pension insurance acquired by the company for Sydänlammi was EUR 118,750 in the financial year 2021. 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.

Deputy to the CEO, Pasi Turtio, Head of customer operations, the fixed annual salary was EUR 252,500 for the financial year 2021, an additional pension of EUR 37,500 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

On 17 February 2020, the Board of Oma Savings Bank Plc decided to establish a share-based incentive scheme for the Group's key personnel. The share-based incentive scheme 2020-2021 has one two-year earning period, 1.1.2020-31.12.2021. The target group of the plan includes a maximum of 15 key employees, including the company's CEO and Deputy CEO. Key personnel have no other variable compensation schemes during the earning period. The Board will confirm the amount of the earned remuneration as soon as possible after the end of the earning period, but nevertheless by the end of May 2022.

The potential reward of the scheme is 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. The reward is paid partly in

company shares and partly in cash. The purpose of the cash contribution is to cover taxes and tax-like payments arising from the remuneration to the key employee. If a key employee's employment or employment relationship ends before the remuneration is paid, the remuneration is generally not paid. 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.

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

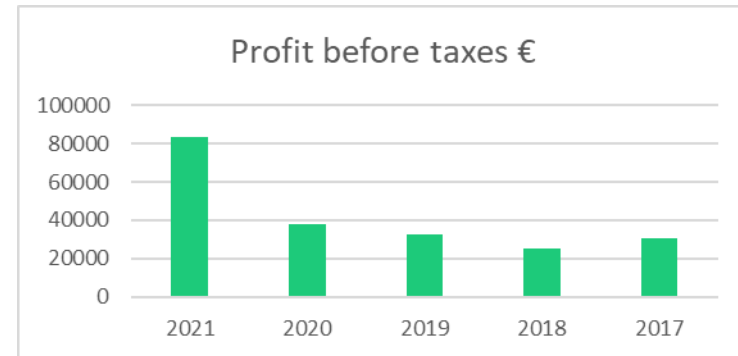
## 3 Deviation from remuneration policy and modification of remuneration policy

The company has not deviated from its remuneration policy during the financial year 2021. 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 2021 and the Board of the company will not present any changes to the AGM.

## 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 five 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>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Annual fees	212,500,00	212,500,00	143,666,67	38,000,00	38,000,00
Meeting fees	99,500,00	90,000,00	85,500,00	59,000,00	58,000,00
Other economic. benefits					
	312,000,00	302,500,00	229,166,67	97,000,00	96,000,00
<b>CEO and Deputy CEO</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Fixed annual salary	851,000,00	850,500,00	787,500,00	542,567,80	492,067,80
Changing rewards.parts.		49,000,00	49,000,00	79,100,00	49,100,00
Supplementary pension contributions	156,250,00	156,250,00	156,250,00	53,284,48	53,284,48
Other – intrinsic benefits	2,200,40	2,200,40	2,125,60	3,073,10	2,811,10
	1,009,450,40	1,057,950,40	994,875,60	678,025,38	597,263,38

<b>CEO, Sydänlammi Pasi</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Salary	598,500,00	598,500,00	598,500,00	352,067,80	303,067,80
Reward		49,000,00	49,000,00	49,000,00	49,100,00
Supplementary pension	118,750,00	118,750,00	118,750,00	40,000,00	40,000,00
Inherent benefits	1,960,40	1,960,40	1,885,60	2 245,40	2,171,10
	<b>719,210,40</b>	<b>768,210,40</b>	<b>768,135,60</b>	<b>443,313,20</b>	<b>394,338,90</b>

<b>Deputy CEO, Turtio Pasi</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Salary	252,500,00	252,000,00	189,000,00	190,500,00	189,000,00
Reward				30,100,00	
Supplementary pension	37,500,00	37,500,00	37,500,00	13,284,48	13,284,48
Inherent benefits	240,00	240,00	240,00	827,70	640,00
	<b>290,240,00</b>	<b>289,740,00</b>	<b>226,740,00</b>	<b>234,712,18</b>	<b>202,924,48</b>

<b>Personnel</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Bonus	265,246,20	250,361,53	162,431,16	172,279,98	24,639,99
Personnel fund	630,000,00	362,500,00	437,500,00	180,000,00	200,000,00
	<b>895,246,20</b>	<b>612,861,53</b>	<b>599,931,16</b>	<b>352,279,98</b>	<b>224,639,99</b>

<b>Personnel</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Performance bonuses	895,246	612,862	599,931	352,280	224,640
Minus CEO + Deputy CEO	19,350,371	15,807,567	16,075,306	15,643,145	12,540,044
Average number of employees	315	299	300	288	256
Personnel costs / person	61,430	52,868	53,584	54,316	48,985



omasp

**omasp.fi**

**Oma Savings Bank Plc**

tel. 020 764 0600, [omasp@omasp.fi](mailto:omasp@omasp.fi)