



REMUNERATION REPORT 2025

Letter from the Chair of the People Committee

Dear Shareholder,

The year 2025 was a year of continued positive development for Raute. Profitability strengthened further, and the implementation of the company's sustainability strategy progressed as planned. The remuneration reflects this development.

Raute's remuneration is based on a clear principle: remuneration is performance-based and supports long-term value creation. Both short and long-term incentives are tied to key financial objectives and strategic metrics that drive profitable growth and responsible operations.

During the financial year 2025, the CEO was paid performance-based rewards based on results from previous years. In addition, total remuneration included a share-based incentive granted in connection with the commencement of the assignment. The remuneration was aligned with the company's performance. No deviations were made from the approved policy, and no claw back was applied.

The People Committee established by the Board of Directors supports the continuous development of remuneration. The goal is to ensure that remuneration systems remain competitive, motivating, and conducive to long-term shareholder value creation.

This report describes in detail how the remuneration policy was applied during the 2025 financial year. The report is based on the recommendations of the Finnish Corporate Governance Code 2025 issued by the Securities Market Association, as well as the requirements of the Securities Markets Act and the Limited Liability Companies Act. The report will be presented at the 2026 Annual General Meeting for an advisory vote.

Laura Raitio

Chair of the Board of Directors and People Committee,
Raute Corporation



PREFACE

This remuneration report contains information about the remuneration of Raute Corporation's Board of Directors ("Board") and President and CEO ("CEO") for the period January 1 – December 31, 2025, and it is based on the recommendations of the Corporate Governance Code 2025 for listed companies issued by the Finnish Securities Market Association and on the requirements of the Finnish Companies Act and the Securities Markets Act. The Code is available on the Securities Market Association's website www.cgfinland.fi/en/.

The report describes the development of the average salary of the employees and the company's performance over the past five years, as compared to the remuneration of the Board and the CEO.

The remuneration report 2024 was presented at Raute's Annual General Meeting on April 15, 2025. The report was approved, and the resolution will serve as a advisory shareholder vote. The remuneration report 2025 will be presented at Raute's Annual General Meeting on April 14, 2026 for an advisory shareholder vote.

The composition of the Board of Directors remained unchanged during the financial year, as the Annual General Meeting confirmed all incumbent Board members to continue in their positions. The total number of Board members remained seven (7).

Mika Saariaho has been the President and CEO of Raute Corporation during whole financial year 2025. He started in the position on October 1, 2022.

Key principles of remuneration

The remuneration of Raute Corporation's governing bodies is based on the remuneration policy, which the Board approved in its meeting held on February 14, 2024, and which the Annual General Meeting addressed and approved on April 4, 2024. The remuneration policy shall be applied until the Annual General Meeting of 2028 unless substantial changes are made, in which case it will be brought to an earlier meeting. The remuneration policy is planned to be updated during 2026, including clarifications related to the preparatory role of the People Committee. No deviations were made from the remuneration policies during the 2025 financial year and no remuneration of the Board or the CEO has been reclaimed or restated.

Raute's remuneration principles are based on: supporting the growth of the value of the company, ensuring leading performance, and responsibility, consistency and competitiveness. Through remuneration, we support the implementation of the company's values and strategy. We encourage strong performances and behavior that is in accordance with Raute's values, and we reward world-class expertise, performances, and results.

The aim of short-term incentive plans is to encourage implementation of the short-term business plan and to reward accordingly.

The purpose of the share-based long-term incentive plans is to align the objectives of the owners and management to develop the company's value for the long term, as well as to commit the company's management and key persons to the company and to achieving the company's strategic goals.

Key principles of the remuneration of the CEO

The remuneration of the CEO is in line with our culture of encouraging strong performance. A significant part of the CEO's remuneration is based on a variable share. In order to maintain a strong connection between the company's result and the CEO's remuneration, the performance targets of both the short-term and long-term incentive plans are directly linked to Raute's business result. In addition, the CEO is expected to use a share, as specified by the Board, of the net remuneration of the long-term incentive plan to accrue his shareholding until the shareholding reaches the level specified by the Board. This is to ensure that the interests of the CEO and the shareholders are aligned.

REMUNERATION OF THE BOARD OF DIRECTORS

Remuneration paid to the members of the Board for January 1 – December 31, 2025

The Annual General Meeting on April 15, 2025 decided that the remuneration of the members of the Board of Directors will be EUR 55,000 for the Chair of the Board and EUR 27,000 for the Vice-Chair of the Board and for the members of the Board of Directors for the term of office and that the expenses of the members of the Board of Directors will be paid in accordance with the company's travel policy.

For the separate committee work, it was decided that the meeting fee for the Chair of the Audit Committee is EUR 1,000 per meeting, and the meeting fee for the chair of other committees and committee members is EUR 500 per meeting. The Board of Directors decided at its meeting on April 15, 2025, to continue an Audit Committee and a People Committee to support the work of the Board of Directors. The composition of the committees remained unchanged.

Board members at 31 December 2025 (EUR 1,000)	Committee membership	2025 Annual fee	2025 Committee fees	Total
Laura Raitio, Chair of the Board of Directors	People committee, Chair	53	2	55
Joni Bask, Vice-Chair of the Board of Directors	Audit committee	26	3	29
Ari Harmaala	People committee	26	2	28
Ari Piik	People committee	26	2	28
Mikko Kettunen	Audit committee, Chair	26	6	32
Julius Manni	Audit committee	26	3	29
Jenni Virnes	Audit committee	26	3	29
Total		209	21	230

The Board's fees are paid in cash. The Board members are not included in the incentive plans or performance-based remuneration. All paid fees are in accordance with the Remuneration policy.

REMUNERATION OF THE CEO

The evaluation of CEO's performance is based on the achievement of strategic and operational targets. In addition to fixed annual salary, the CEO's remuneration consists of variable remuneration, such as an annual performance-based short-term incentive and a share-based long-term incentive.

Remuneration has been paid to Raute's CEO during 2025 in total EUR 764 thousand. The CEO does not have special pension arrangements.

Remuneration of the CEO for January 1–December 31, 2025

(EUR 1,000)	Remuneration paid to CEO in 2025	Proportion from total
Base salary and fringe benefits	339	44%
Short-term incentive	186	24%
Long-term incentive	239	31%
Total	764	100%

Amounts represent the payments made during the financial period. For the short-term incentives, the payments are made in the following year. The short- and the long-term incentives are described below.

Short-term incentive plan

The performance-based short-term incentive paid in 2025 was based on the key targets for 2024 set by the Board at the start of the 2024 financial year, related to the Group's financial, strategic

and operational targets. The Board set short-term incentive criteria for 2025 at the start of the 2025 financial year to support business development. Payouts for these 2025 related short-term incentives will take place in 2026. Target level short term incentive for the CEO is 30% and maximum is 60% of the annual pay.

Details of the short-term incentive plan 2024 and 2025 for the CEO:

STI 2024, payout in 2025

Description of the criteria	Weight	Performance (0-200) Threshold 0% Target 100% Maximum 200%	STI payout (EUR 1,000)
ESC: Safety development (LTIF)	10%		
Group Comparable EBITDA (meur)	60%	191%	186
Group Net Sales (meur)	20%		
Individual targets	10%		

STI 2025, potential payout in 2026

Description of the criteria	Weight
ESC: Safety development (LTIF)	10%
Group Comparable EBITDA (meur)	60%
Group Net Sales (meur)	20%
Individual target	10%

Long-term share-based plans

In the financial year 2025, the ongoing Raute's Performance Share Plans (PSP) included three 3-year performance periods, calendar years 2023-2025, 2024-2026 and 2025-2027. PSP 2022-2024 performance period ended by the end of 2024, and payouts for it took place in 2025. The performance targets of the PSP 2022-2024 were Absolute Total Shareholder Return with a weight of 70 percent and net sales with a weight of 30 percent. The performance targets of the PSP 2023-2025 and PSP 2024-2026 are EBITDA with the weight of 60 percent and net sales, with the weight of 40 percent, and for PSP 2025-2027 EBITDA with the weight of 70 percent and net sales, with the weight of 30%. The Board of Directors is entitled to limit the rewards paid under the long-term incentive plan PSP if the reward would exceed the threshold value related to the fixed annual gross salary of the President and CEO.

In addition to the PSP, Board of Directors of the company established in 2022 a Restricted Share Program (RSP) as a complementary share-based long-term incentive scheme for the company. The program consists of annually commencing individual share plans and the ongoing first individual plan covered the years 2022-2024. The second plan was established in the beginning of 2023 and covers the years 2023-2025. The third plan was established at the beginning of 2024 and it covers the years 2024-2026, and the fourth plan was established at the beginning of 2025 and it covers the years 2025-2027. RSP 2024 and RSP 2025 has not been activated by the end of 2025. The commencement of each individual plan is conditional on a separate decision of the Board of Directors. The maximum value of the reward payable based on RSP is limited by a cap which is linked to Raute's share price development with a multiplier set by the company.

The rewards payable based on the PSP and on the RSP will at the company's choice either be paid in listed shares of Raute or in cash based on the value of the share reward at the time of payment. The payment of the reward is conditional on the individual's continued employment or service relationship with Raute.

In accordance with the ownership recommendation of the company that abides by, the CEO is expected to accrue and, after attaining, to retain in his ownership an amount of the company's shares that equals his gross annual fixed salary.

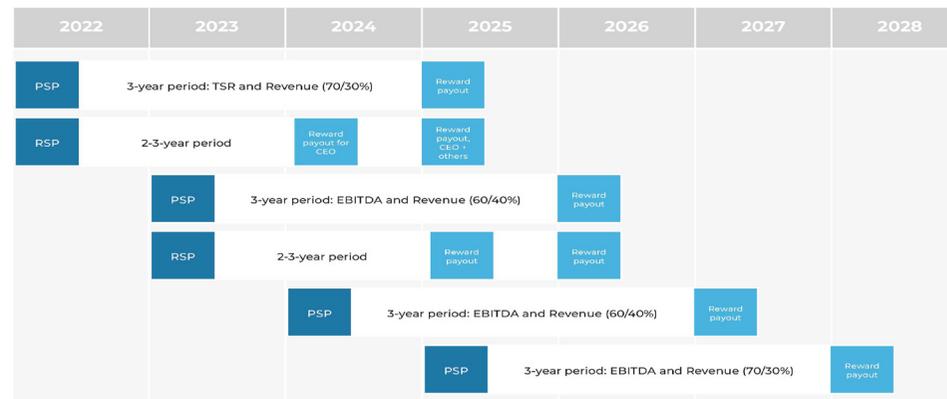
The maximum long-term incentive allocations at the end of 2025 in the ongoing Performance Share Plans for the CEO Mika Saariaho are described as follows:

	PSP 2023-2025 to be paid 2026, shares pcs max.*	PSP 2024-2026 to be paid 2027, shares pcs max.*	PSP 2025-2027 to be paid 2028, shares pcs max.*
President and CEO Mika Saariaho	21,236	18,765	18,774

* As President and CEO has started in his position October 1, 2022, the maximum allocations at grant have been approved by the Board of Directors on pro rata -basis to the ongoing plans in 2021 and 2022. In addition to this, CEO Mika Saariaho has been part of two RSP plans. In RSP

2022-2024, payments took place both in 2024 and 2025. First part of this plan, 10964 shares were paid in 2024 and 5482 shares were paid in 2025 as per plan rules. CEO has a share allocation of 17,384 Raute's shares in the Restricted Share Program RSP 2023-2025. First part of this plan, 8536 shares were paid in 2025 and the second part will be paid in 2026. RSP 2024-2026 or RSP 2025-2027 has not been activated by the Board of Directors in 2025.

Overview of the activated long-term incentive plans:



Other financial benefits, such as fringe benefits, signing bonus, retention bonus or severance package

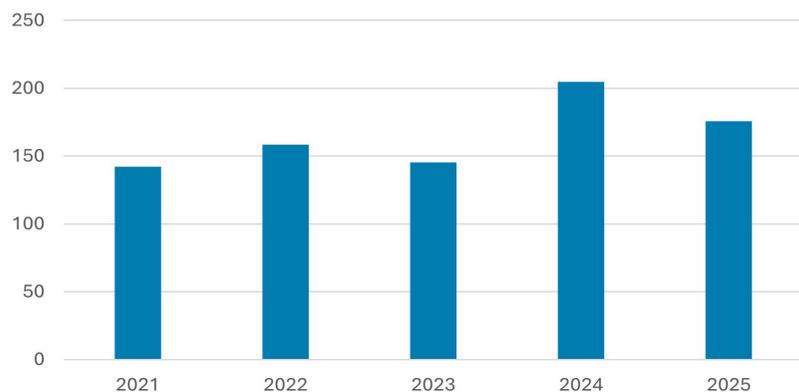
The fringe benefits (car, phone and housing) of the CEO are included in the base salary component.

The CEO does not have any other special benefits or pension arrangements. The period of notice for the resignation or termination of employment of the CEO is six months. If the employment relationship ends for a reason attributed to Raute, the CEO is entitled to severance pay equaling a 12 months' full salary.

COMPANY PERFORMANCE OVER THE LAST FIVE YEARS

The company's financial performance has varied over the past five years. The development of Net Sales and Operating Profit is presented in the following graphs:

Net sales M€ 2021-2025



Operating result M€ 2021-2025



Earnings per share, Share price and Dividend 2021-2025

	2021	2022	2023	2024	2025
Earnings per share, €	-0.39	-2.56	0.22	1.96	2.12
Share price at Dec. 31, €	18.77	7.83	9.84	13.10	15.10
Dividend, €	0	0	0.10	0.55	0.65*

* Board's proposal to the AGM 2026.

DEVELOPMENT OF REMUNERATION OVER THE LAST FIVE YEARS

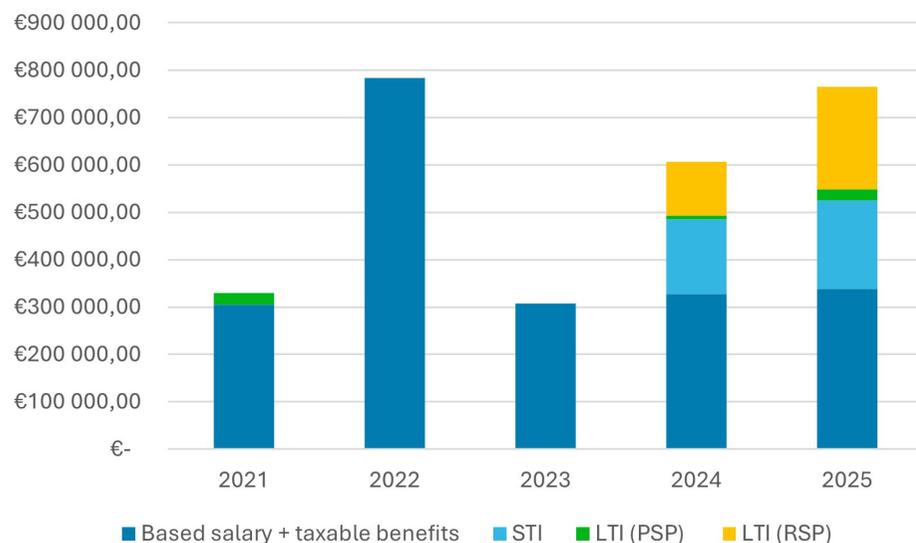
Average remuneration (EUR 1,000)	2021	2022	2023	2024	2025
Chair of the Board of Directors	48	48	48	49	55
Vice-Chair of the Board of Directors	24	24	24	26	29
Other members of the Board of Directors	24	24	24	25	29
CEO	330	784	307	606	764
Raute employee**	54	57	57	65*	58

* Information for 2024 has been corrected from what was previously reported.

** The pay development of Raute's average employee is based on personnel expenses, excluding non-wage labor costs, divided by the average number of employees during the year. Raute is a global company whose remuneration varies considerably in the markets where it operates. For that reason, the calculation applies the remuneration data of Raute's Finnish personnel. Finnish employees account for 77% of the total number of employees at the end of 2025.

All the sums presented in the Table refer to remuneration paid during the year.

DEVELOPMENT OF REMUNERATION OF THE CEO OVER THE LAST FIVE YEARS



The year 2022 amount included remunerations paid to previous CEO Tapani Kiiski, interim CEO Petri Strengell and as of October 1, 2022, to Mika Saariaho.

AUDITING OF THE REMUNERATION REPORT

Raute's auditor for the 2025 financial period, PricewaterhouseCoopers Oy, has verified that the remuneration report contains the information required by legislation.



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