



Terrafame

Remuneration Report **2025**

26 March 2026

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Introduction

Terrafame Ltd ("Terrafame" or "the company") is a limited liability company registered in Finland. Its parent company is Finnish Minerals Group Oy, a special-purpose company wholly owned by the State of Finland.

Management and decision-making at Terrafame are governed by its Articles of Association, the applicable laws and the Government Resolution on State Ownership Policy of 23 May 2024 ("Ownership Policy"). Remuneration at Terrafame complies with the Ownership Policy, and the decision issued by the Ministry of Economic Affairs and Employment in 2017 on the remuneration practice for a non-listed commercially operating company may be applied to the company.

Terrafame complies, where applicable, with the current Corporate Governance Code issued by the Securities Market Association. This Remuneration Report for 2025 describes the remuneration of the company's Board of Directors and CEO in 2025 and has been prepared in accordance with the Finnish Corporate Governance Code issued by the Securities Market Association, which entered into force on 1 January 2025 ("Corporate Governance Code 2025"). The Corporate Governance Code 2025 is available at www.cgfinland.fi/en/.

Key principles guiding remuneration

Terrafame has a remuneration policy which determines the principles of remuneration of the company's bodies. Herein the company's bodies include Terrafame's Board of Directors and CEO.

In 2025, Terrafame's remuneration complied with the remuneration policy presented to the Annual General Meeting (AGM) in 2024 ("Remuneration Policy 2024"). The remuneration policy 2024 will be applied until the AGM 2028 unless it is replaced earlier with a new or updated remuneration policy that has been presented to the AGM.

The key principles guiding the remuneration of the members of Terrafame's Board of Directors are transparency, fairness and consistency when compared to other market operators. The fees payable to the members of the Board consist of a fixed fee for the duration of their term of office, confirmed by the AGM. The fixed fee paid to the members of the Board must be sufficiently competitive to attract and engage skilled and highly competent people with the capacity to serve as Board members.

The key principles guiding the remuneration of the CEO at Terrafame are that good performance is rewarded and that the reward is reasonable and fair and determined in a transparent manner. In view of the aforementioned key principles, the purpose of rewarding Terrafame's CEO is to create common interests for the CEO and the company's shareholders and thereby promote the creation of long-term value for shareholders. Other key objectives of the CEO's remuneration are to reward the CEO for the successful implementation of Terrafame's strategy and the achievement of its financial targets.

In 2025, the remuneration of the Board of Directors and the CEO complied with the Remuneration Policy 2024, and there were no deviations. No part of the fees was subject to recovery or adjustment in the financial year 2025.

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Financial development of the company and remuneration

Terrafame's financial development, especially in 2025 and 2024, has reflected the challenging market situation and the consequently lower market prices of metals and battery chemicals. The development in 2022 and 2023 was highlighted by the increased role of battery chemicals production.

Financial key figures

	2025	2024	2023	2022	2021
Net sales	556.1	544.5	560.9	584.4	378.4
EBITDA excluding non-recurring items	79.5	66.3	100.6	152.1	24.2
					EUR million
Chair of the Board					
Annual fee	72,000	72,000	72,000	72,000	72,000
Meeting fee	600	600	600	600	600
Member of the Board					
Annual fee (1)	36,000	36,000	36,000	36,000	36,000
Meeting fee (1)	600	600	600	600	600
CEO					
	585,238 (2)	568,630 (3)	473,961	394,013	387,190
fixed annual salary	523,715	470,145	350,468	343,044	337,882
Performance bonuses	61,523	98,485	123,493	50,969	49,308
Salaries and remuneration of personnel on average (4)					
	58,623	55,084	54,269	52,329	48,478
					EUR

The financial information from 2023–2025 consists of IFRS figures, and the financial information from 2021–2022 consists of FAS figures.

(1) Annual fee and meeting fee (per meeting) decided by the Annual General Meeting. Until 28 February 2022, no annual or meeting fees were paid to Board members who were not independent of major shareholders.

(2) Based on the remuneration of Seppo Voutilainen until 31 August 2025 and the remuneration of Antti Koulumies from 1 September 2025. Includes fringe benefits, holiday pays, and a one-time severance pay for Joni Lukkaroinen.

(3) Based on the remuneration of Joni Lukkaroinen until 17 January 2024 and the remuneration of Seppo Voutilainen from 17 January 2024.

(4) Salaries and remuneration (gross). The CEO's or Board of Directors' remuneration is not included in the calculation.

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Remuneration of the Board of Directors in 2025

In the financial year 2025, the remuneration of the Board of Directors followed the principle set out in the Remuneration Policy 2024, according to which the fee paid to the members of the Board consists of a fixed fee payable in cash for the duration of their term of office, confirmed by the AGM. In addition to the fixed annual fee, meeting fees were paid to the Board members. In accordance with the Remuneration Policy, the Board members are not paid variable fees, nor are they rewarded based on performance. The members of the Board do not have pension plans, nor are they paid other benefits.

In 2025, the AGM resolved to keep the Board of Directors' fees unchanged. The annual fee for the Chair of the Board is EUR 72,000. The annual fee for each member of the Board is EUR 36,000. In addition, the Chair and members of the Board are paid EUR 600 for each Board meeting or Board committee meeting they attend. The travel expenses of the independent members of the Board were reimbursed in accordance with the company's travel policy. The annual fees payable to the members of the Board have remained unchanged since 14 August 2015.

The fees paid to the members of the Board in 2025 totalled EUR 346,009.68 (363,001).

Annual and meeting fees paid to Board members in financial year 2025

Member	Annual fees	Meeting fees	Total fees
Markku Teräsvasara Chair (from 15 May 2025)	45,290.32	6,000.00	51,290.32
Lauri Ratia Chair (until 25 March 2025)	16,645.16	3,000.00	19,645.16
Matti Hietanen Vice Chair (Chair 25 March–14 May 2025)	41,129.01	10,800.00	51,929.01
Patrick Burke (from 25 March 2025)	27,000.00	6,600.00	33,600.00
Jesus Fernandez (until 25 March 2025)	8,322.58	1,200.00	9,522.58
Markus Mannström (from 30 April 2025)	24,100.00	6,600.00	30,700.00
Riitta Mynttinen (until 25 March 2025)	8,322.58	3,000.00	11,322.58
Julian Sanchez	36,000.00	10,800.00	46,800.00
Peter Schuhmacher	36,000.00	8,400.00	44,400.00
Jyrki Vainionpää	36,000.00	10,800.00	46,800.00
Total	278 809.36	66,600.00	346,009.68

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Remuneration of the CEO in 2025

Antti Koulumies assumed the role of Terrafame's CEO on 1 September 2025. Seppo Voutilainen served as CEO until 31 August 2025.

In accordance with the Remuneration Policy 2024, the CEO's remuneration consists of a fixed base salary, fringe benefits based on the applicable company practice, and the company's short-term incentive scheme and long-term incentive scheme.

The variable remuneration paid in accordance with the achievement of the Terrafame CEO's targets may amount to a maximum of 40 per cent of the fixed annual salary paid to the CEO. If the performance of the company and the CEO is exceptionally good and significantly exceeds the targets, the paid remuneration may amount to a maximum of 80 per cent of the fixed annual salary. The maximum amounts are in accordance with the maximum limits set in the Ownership Policy for other non-listed companies. Different metrics are used for the short- and long-term incentive schemes.

The treatment of rewards based on ongoing STI and LTI plan(s) will depend on the circumstances of the CEO's departure. In case of retirement or death or in case of termination at the initiative of the company, the CEO may be entitled to the STI and LTI reward(s) or a portion thereof, as determined by the Board based on the rules of the respective incentive scheme. If the CEO terminates his/her contract at his/her own initiative, the unvested rewards are as a main rule forfeited.

From 2025, the CEO has had the option to deposit their remuneration into Terrafame's personnel fund, which was established in 2024. In any such deposits, the CEO follows the same rules as other Terrafame employees. The CEO is not covered by a contribution-based or any other additional pension plans. The CEO has no other financial benefits.

Base salary

CEO Koulumies' fixed base salary was EUR 33,000 per month. Koulumies is entitled to holiday pay. CEO Koulumies' fringe benefits included the telephone benefit. Koulumies was not paid a signing bonus.

CEO Voutilainen's fixed base salary was EUR 25,652 per month. Voutilainen was entitled to holiday pay. CEO Voutilainen's fringe benefits included the telephone benefit. Voutilainen was not paid a severance pay upon moving to the role of Chief Operating Officer following the appointment of Koulumies.

Short-term incentive scheme

In the financial year 2025, CEO Koulumies was not paid any bonuses based on the short-term incentive (STI) scheme.

CEO Voutilainen was paid a performance bonus based on the 2024 performance, totalling EUR 43,054.42. The reward criteria were related to the implementation of the strategy (60%), sustainability (10%), and personal targets (30%), and the performance bonus can be a maximum of 40% of the fixed salary paid to the CEO. The criteria were met at a level of 35.85 per cent.

In 2025, the reward criteria in the short-term incentive scheme for the CEO were, with the same weighting, still related to the implementation of the strategy, sustainability, and personal targets for both Koulumies and Voutilainen. The Board of Directors will evaluate the performance in 2025 in around early spring 2026, and any performance bonus will be paid in cash around April 2026. Any payment of a bonus from the CEO's short-term incentive scheme will take into account the time served as CEO by both Koulumies and Voutilainen in 2025.

Long-term incentive scheme

In February 2019, Terrafame's Board of Directors decided to establish a long-term incentive scheme (LTI) for the company's management and other key individuals. The scheme consists of individual performance-based programmes starting every year. Each programme includes a three-year performance period and the payment of any rewards in cash after the performance period. The Board will separately decide on the initiation of each individual programme.

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The CEO is included in the company's long-term incentive scheme, which currently has a total of seven programmes. The most recent programmes are:

Programme	Payment date of possible rewards
LTI 2022–2024	Spring 2025
LTI 2023–2025	Spring 2026
LTI 2024–2026	Spring 2027
LTI 2025–2027	Spring 2028

The rewards under the programmes will be paid provided that the performance targets set by the Board of Directors are achieved. The targets set for the LTI programmes are related to production, financial profitability and sustainability. Their purpose is to support Terrafame's development and success and the achievement of its strategic and corporate sustainability goals over the long term. LTI 2022–2024 was the last of the programmes that did not include a sustainability-related target.

CEO Koulumies is part of the LTI 2025–2027 programme. From the end of his term as CEO, CEO Voutilainen is part of the programmes in force at any given time as a member of the Leadership Team.

In 2025, CEO Voutilainen was paid a total of EUR 18,468.62 based on the LTI 2022–2024 programme. The metrics of the programme and their weightings were: operating result (EBIT) 50%, a criterion related to the price obtained for the nickel product 25%, and a criterion related to the production costs of nickel sulphate 25%. The achievement of the targets was 27.20% in total.

Summary of the CEOs' remuneration in 2025

The salary and fees paid to CEO Koulumies in 2025 totalled EUR 132,000. The proportion of the fixed base salary was 100 per cent.

The salary and fees paid to CEO Voutilainen for CEO duties in 2025 totalled EUR 277,558. The proportion of the variable remuneration paid for CEO duties was 22 per cent and that of the fixed base salary 78 per cent.

Joni Lukkaroinen, who served as CEO of Terrafame until 17 January 2024, was paid a one-time severance pay of EUR 175,680, corresponding to six months' salary, in January 2025. Lukkaroinen is not entitled to rewards paid in 2025 based on the incentive schemes.

The remuneration of the other members of the Leadership Team is described on Terrafame's website.

The CEOs were paid salary and fees in the 2025 financial year as follows:

	Fixed annual salary (incl. holiday pay)	STI (1)	LTI (2)	Other	Total
Antti Koulumies	132,000	-	-		132,000
Seppo Voutilainen	216,035	45,035	18,469		277,558
Joni Lukkaroinen				175,680 (3)	
					EUR

(1) Earned based on CEO duties in 2024, paid in 2025.

(2) Long-term incentive scheme 2022–2024 programme.

(3) A severance pay corresponding to six months' salary, EUR 175,680, paid in January 2025.

Remuneration falling due for payment in 2025

The company's Board of Directors will decide on the potential remuneration payable to CEO Koulumies in spring 2026 under the 2025 short-term incentive scheme. CEO Koulumies is entitled to the potential remuneration payable under the abovementioned incentive schemes, considering the date he assumed the role of CEO.

Seppo Voutilainen, who served as CEO of Terrafame until 31 August 2025, is entitled to any performance bonus for 2025 payable under the short-term incentive scheme and to any bonus payable under the LTI 2023–2025 programme, taking into account the time he served as CEO.



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