

The cover features a white background with two large, overlapping triangular shapes. The left triangle is a vibrant green, and the right triangle is a lighter, lime green. The text is positioned on the green triangle.

# *Alisa Bank Plc*

Remuneration Report 2023

## Introduction

This Alisa Bank Plc's ("Alisa Bank" or "Company") Remuneration Report explains the remuneration of the company's Board of Directors and the CEO for the financial year 2023. Alisa Bank complies with the Finnish Corporate Governance Code 2020 issued by the Securities and Market Association. The company's Remuneration report is presented annually at Alisa Bank's Annual General Meeting.

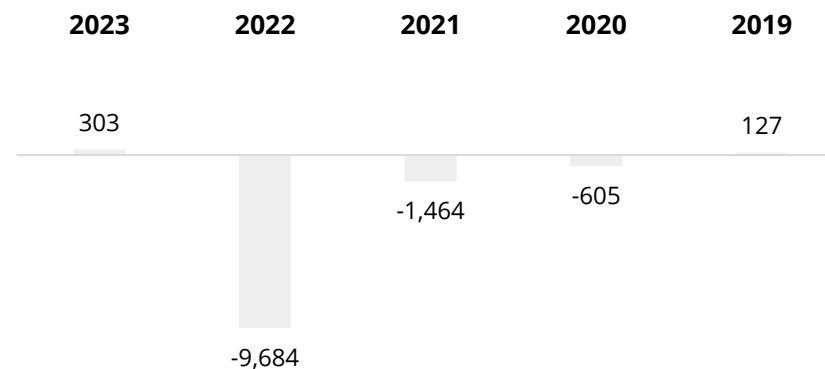
The objective of the remuneration policy is to support the implementation of the company's strategy as well as to promote its competitiveness and long-term financial performance. A further aim is to contribute to a positive trend in shareholder value and to commit the company's Board of Directors and CEO to the company's objectives in the long term. In terms of remuneration for the 2023 financial year, the company has followed the established remuneration policy.

Alisa Bank was formed through the merger of Evli Bank Plc's banking company and Fellow Finance Plc on 2 April 2022. Due to significant structural changes, fully comparable historical data on remuneration is not available. The pre-merger historical data presented in this remuneration report are data of the Fellow Finance Group. The remuneration reports of Evli Bank and Fellow Finance for 2021 are available on Alisa Bank's website.

## Development of Alisa Bank's financial result and remuneration

The financial development of the group during the previous five financial periods is shown in the diagram below. The figures for the years 2019–2021 are the figures of Fellow Finance group.

### Group profit before taxes, EUR thousand



The table below shows how the average remuneration of the board members, CEO and employees has developed over the course of five years. In the years 2019–2020, one board member, Teemu Nyholm, has also had an employment relationship with the company and has been paid a salary in addition to board fees.

The average salary of the personnel has been calculated by deducting the salaries and bonuses of the board and CEO from the Group's salaries and rewards expense item and then dividing the cost by the average number of employees for the financial period, from which the CEO and employed board members have been removed.

#### Five year development of remuneration

	2023	2022	2021	2020	2019
Board of Directors	300,000	222,800	65,000	199,851	176,840
CEO	182,979	124,918	189,640	145,943	156,600
Average salary for the employees	54,500	52,156	38,129	34,650	48,601

#### Remuneration of the board of directors

The remuneration of the board of directors is decided by the general meeting on the basis of a proposal by the Shareholders' Nomination Board. In the period of January 1 – December 31, 2023, remuneration was paid to the board of directors in accordance with the decisions of the Fellow Bank Plc annual general meeting held on April 20, 2023. It was decided that the amount of remuneration to be paid to the board members would be 38,400 euros per year, chairmen of the committees 48,000 euros per year and 60,000 euros per year for the chairman of the board.

The annual fee is paid in Company shares and cash so that approximately 40% of the fee will be paid in the Company shares to be purchased on the Board members' behalf, and the rest in

cash. The Company will pay any costs and transfer tax related to the purchase of the Company shares.

From April 20, 2023, Alisa Bank's board of directors was formed by Markku Pohjola (chairman), Teuvo Salminen, Johanna Lamminen, Lea Keinänen, Sami Honkonen, Jorma Pirinen and Tero Weckroth.

#### Compensation paid to the members of the Board

Markku Pohjola, Chairman of the Board	60,000
Teuvo Salminen, Vice Chairman of the Board, Chairman of the Audit Committee	48,000
Lea Keinänen, member of the Board of Directors	38,400
Jorma Pirinen, member of the Board of Directors	38,400
Johanna Lamminen, member of the Board of Directors	38,400
Sami Honkonen, member of the Board of Directors	38,400
Tero Weckroth, member of the Board of Directors	38,400
<b>Total</b>	<b>300,000</b>

## Remuneration of the CEO and deputy CEO

The company's board of directors confirms the principles and elements of remuneration for the CEO and deputy CEO. Teemu Nyholm was the CEO of Alisa Bank between January 1 and December 31, 2023. Juha Saari was the deputy CEO of Alisa Bank between January 1 and December 31, 2023. All changes in the CEO's salary and remuneration are subject to the Board's approval.

### Fixed reward

For the financial year 2023, the fixed annual salary for the CEO was EUR 182,979 and fringe benefits EUR 18,300. The CEO had no variable remuneration in the financial year 2023. When the company terminates the CEO's employment, the CEO will be paid a separate severance payment equivalent to three (3) months' cash salary in addition to the six (6) months' notice salary.

For the financial year 2023, the fixed annual salary for the Deputy CEO was EUR 103,785 and fringe benefits EUR 240.

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

### Variable remuneration

#### Long-term share-based incentive programs

The purpose of Alisa Bank's long-term share-based incentive programs is to encourage management and key personnel to work long-term to increase shareholder value and commit to the

company. The board decides on possible new programs each year based on the personnel committee's proposal and within the limits set by the general meeting.

**The valuation-based share plan scheme** 2022 has one earning period that started on July 4, 2022 and ends on March 31, 2024. In the system, it is possible for the target group to earn a share plan based on the increase in the value of Alisa Bank Plc's shares. One share unit entitles to one share increase in value. The share units are divided into classes 2022A (approx. 650,000 units) and 2022B (approx. 2,500,000 units). The increase in the value of the share is measured from the starting level of 1.27 euros (2022A) and 0.63 euros (2022B). The increase in the value of the share units will be converted into Alisa Bank shares after the end of the earning period, and any payments will be paid deferred after the end of the earning period in two equal instalments, in April 2025 and April 2026, in accordance with the legislation on the financial sector. The payment of remuneration is followed by a one-year waiting period, during which the key person cannot hand over the shares paid. The remuneration are paid partly in Alisa Bank Plc shares and partly in cash. The monetary shares of the remuneration cover the taxes and statutory social insurance contributions incurred by the participants. If the participant's employment or management contract ends before the remuneration is paid, the remuneration is generally not paid.

478,054 class 2022B share units have been granted to the deputy CEO. Based on the earning criteria of the valuation-based share plan scheme, the CEO and the deputy CEO were not paid for the year 2023.

**The performance-based (PSP)** share plan scheme has three earning periods covering the financial years 2023, 2024–2025 and 2025–2026. It is possible for the target group to earn Alisa Bank Plc shares based on performance. The board decides the earning criteria and their goals at the beginning of the earning period. According to the financial sector legislation, the possible rewards of the system are paid on a delayed basis, so that the rewards are paid to the participants after the end of the earning period within approximately four or five years in five instalments. The payment is followed by a one-year waiting period, during which the key person cannot hand over the shares paid. In the 2023 earning period, the remuneration were based on the group's 2023 result, the implementation of strategic projects, customer satisfaction (NPS) and personal goals. The value of the paid remuneration for the earning period 2023 can correspond to a total of no more than 2,000,000 Alisa Bank Plc shares, including a possible share to be paid in cash.

A total of 270,000 share-based incentives have been granted to the CEO during the 2023 reporting period. During the 2023 reporting period, 240,000 share-based incentives have been granted to the deputy CEO. Based on the earning criteria of the performance-based share plan, the CEO and the deputy CEO were not paid for the year 2023.