

Other information related to remuneration

This is an appendix to the Remuneration report of bodies in accordance with the new Corporate Governance Code of the Finnish Securities Market Association, entered into force on 1 January 2020.

Information on remuneration of the Managing Director

The base salary paid to the Managing Director of Saga Furs Oyj is EUR 208,000 per year with the additional fringe benefits consisting of a company car and a company-paid telephone. The Managing Director is included in the short-term incentive scheme that uses as indicators the profitability and cost efficiency of the company as well as sales results of fox and Finnraccoon pelts. The remuneration may not exceed a sum approximately corresponding to 3 monthly salaries. The earnings period is the financial period and there is no loyalty period.

The Managing Director's employment relationship is valid for a fixed term ending on 6 May 2022 and, in the event of dismissal, he will have the right to remuneration corresponding to 6 months' salary, should the dismissal take place before 6 May 2022.

Remuneration of the management group

Matters related to the appointment, evaluation, salaries, remuneration, or benefits of the Managing Director and a possible Managing Director's Deputy of Saga Furs Oyj are prepared by the Chairman and Vice Chairman of the Board of Directors, after which they are deliberated on by the Board of Directors. The Managing Director of Saga Furs Oyj decides the salaries, remunerations and fringe benefits of the management group's members with the exception of the Managing Director's Deputy and the short-term incentive scheme, which is decided by the company's Board of Directors.

The criteria used for deciding the remunerations and the maximum remuneration levels are the same as those of the company's Managing Director. The earnings period for the management group is the financial period and there is no loyalty period.

A normal statutory period of notice is applied to the members of the management group. There is no severance pay, except for the Managing Director's Deputy who has a severance pay corresponding to 6 months' salary.

Except for the Managing Director's Deputy, members of the management group have the opportunity for a payment-based additional pension scheme, which all of the management group's Finnish members utilise. The Managing Director's Deputy is included in the benefits-based additional pension scheme.

The total value of the salary, remuneration and fringe benefits of the other executives in the 2019/2020 financial year was EUR 1,040,008, including severance payments. Included in the above total sum is variable remuneration, meaning remuneration that is not fixed, such as financial benefits related to the short and long-term incentive schemes of a total of EUR 183,565. In addition to the above sum, the additional payments of the benefits-based insurance was EUR 108,969 and the payment-based insurance was EUR 30,774.