

# NELES

## Neles Remuneration Committee Charter

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## 1. General

The Remuneration Committee is established by the Board to assist in preparing human resources matters pertaining to the compensation and performance of the CEO and the executive team of the company, and the company's remuneration and incentive plans.

The Remuneration Committee manages its tasks in accordance with this charter, the Finnish Corporate Governance Code as well as the applicable laws and regulations.

## 2. Composition

The Remuneration Committee comprises at least three members, one of which shall be the Chair of the committee, appointed annually by the Board among its members. The majority of the members of the committee must be independent of the company.

## 3. Duties

The Remuneration Committee shall:

- 1) prepare matters pertaining to the appointment of the CEO, the deputy CEO (if any) as well as the identification of their successors
- 2) based on the preparation of the CEO, make proposals for the appointment to, and changes in the composition of, the executive team
- 3) prepare and make proposals to the Board for the remuneration of the CEO
- 4) upon delegation by the Board, decide on the remuneration of the members of the executive team
- 5) periodically evaluate the performance and compensation of the CEO and the members of the executive team and present its findings, opinions and possible recommendations to the Board
- 6) review and monitor the competitiveness of the remuneration and incentive systems within the company
- 7) prepare the company's remuneration policy concerning the Board, the CEO, and the deputy CEO (if any) at least in every four years
- 8) prepare the company's remuneration report
- 9) prepare the executive team successor planning and talent review for Board discussion

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## 4. Meetings and reporting to the Board

The committee convenes at least twice a year according to the Board calendar.

Regular participants in the RC meetings are the CEO (except for when matters relating to the CEO are on the agenda) and the Head of Human Resources acting as secretary of the RC, unless otherwise decided by the committee.

The Chair of the committee, the CEO and the Head of Human Resources prepare the matters on the agenda of the meetings.

The Remuneration Committee reports of its actions to the Board in the following Board of Directors' meeting.

The Remuneration Committee members shall not receive compensation other than as decided by the Annual General Meeting.