



Observations for a better world

Remuneration Report 2022

VAISALA

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Remuneration Report 2022 for Governing Bodies of Vaisala Corporation has been prepared pursuant to the Finnish Corporate Governance Code 2020. The remuneration of governing bodies in 2022 has been in alignment with the Remuneration Policy.

Vaisala's business performance in terms of net sales and profitability development has been steady during the past five years. Vaisala's net sales and operating result have developed according to Vaisala's long-term financial targets.

In 2021, the Annual General Meeting approved an increase for the Board remuneration. In addition, year-on-year variation of total remuneration is influenced by meeting fees. In 2022, the remuneration of the Board remained unchanged.

According to Vaisala's Remuneration Policy and principles, the President and CEO is paid for performance. A significant proportion of remuneration is derived from variable pay, i.e. short and long-term incentives, to ensure that there is strong alignment between performance and reward.

All rewards have been paid by Vaisala Corporation. During 2022, the company has not exercised any rights to modify, cancel, or reclaim any paid rewards.

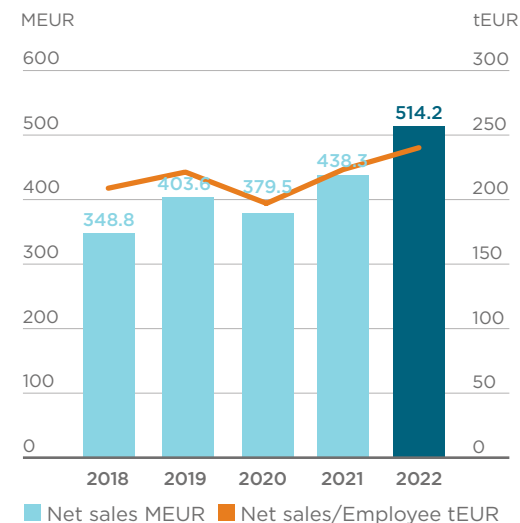
Development of remuneration during past years

EUR 1,000	2022	2021	2020	2019	2018
Chair of the Board	62	61	55	46	48
Vice Chair of the Board	48	45	46	39	38
President and CEO*	1,004	784	2,092	1,291	1,320
Vaisala's employee on average**	72	72	67	71	66

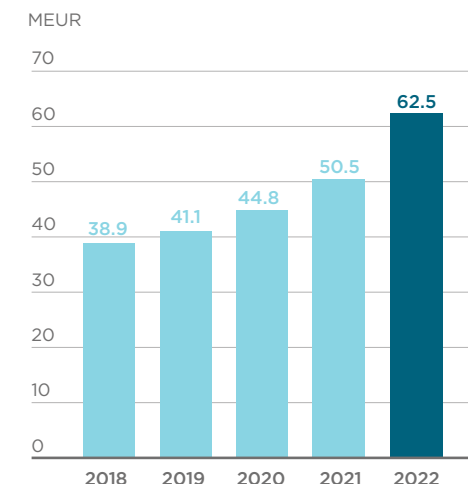
* Values are excluding pension fees. Year 2020 includes remuneration of two President and CEO's prorated to their time in service.

** Vaisala's employee on average: total employee expenses without social and pension costs divided by the average number of employees during the year.

NET SALES



OPERATING RESULT (EBIT)



VAISALA SHARE PRICE 2018-2022



Remuneration of the Board of Directors for 2022

The Annual General Meeting held on March 29, 2022, resolved that the annual remuneration payable to the Chair of the Board of Directors is EUR 55,000 and each Board member EUR 40,000 per year.

At its organizing meeting held after the Annual General Meeting, the Board elected Ville Voipio as the Chair of the Board of Directors and Raimo Voipio as the Vice Chair.

In accordance with the Annual General Meeting's resolution, approximately 40% of the annual remuneration has been paid in Vaisala Corporation's series A shares acquired from the market and the rest in cash. No special terms or conditions are associated with the share ownership.

In addition, the Annual General Meeting resolved that the meeting fee for the Chair of the Audit Committee is EUR 1,500 per attended meeting and EUR 1,000 per attended meeting for each member of the Audit Committee and the Chair and each member of the People and Sustainability Committee and any other committee established by the Board of Directors. The meeting fees are paid in cash.

Remuneration of the Board of Directors 2022 (payment basis)

EUR 1,000		Annual remuneration	Compensation, Audit Committee	Compensation, People and Sustainability Committee	Total
Ville Voipio	Chair of the Board	55		7	62
Raimo Voipio	Vice Chair of the Board	40	8		48
Petri Castrén	Member of the Board	40	8		48
Antti Jääskeläinen	Member of the Board	40	8		48
Petra Lundström	Member of the Board	40		7	47
Jukka Rinnevaara	Member of the Board	40		7	47
Kaarina Ståhlberg	Member of the Board	40	12		52
Tuomas Syrjänen	Member of the Board	40		7	47
Total		335	36	28	399

Remuneration of the President and CEO for 2022

The remuneration of Vaisala's President and CEO Kai Öistämö includes a fixed base salary, fringe benefits, a defined contribution scheme in addition to the Finnish statutory pension, performance-related annual variable pay, and a long-term incentive (LTI); performance-related share plan.

In 2022, the maximum short-term incentive (STI) for the President and CEO was 72% of annual base salary. STI was based on predefined performance criteria, which were Vaisala's EBITA (50% weight), Vaisala's net sales development (45% weight) and ESG (in 2022 the criteria was diversity) (5% weight).

The President and CEO Kai Öistämö's STI 2021 payout was 72% of annual salary or EUR 344,736 which was paid in March 2022.

The STI 2022 payout was 58.5 % of the annual base salary. Payment of EUR 287,690 will be paid in March 2023.

Variable pay, meaning short and long-term incentives, forms a substantial part of the President and CEO's total remuneration. In 2022, the paid short-term and long-term incentives formed 51% of total compensation and the fixed annual salary 49% for Kai Öistämö.

The total target remuneration for the President and CEO for 2022 was 44% base salary, 20% short-term incentives (45% of the base salary), and 37% long-term incentives (at target 10,000 shares, share price EUR 41.45 at the time of the grant).

Long-term incentive reward of 4,000 shares for 2019–2021 for President and CEO Kai Öistämö was paid in 2022. 50% of the reward was paid in shares and 50% in cash to cover the income tax withholdings. The total value of the reward was EUR 168,732.

The reward shares are under holding restriction by which the President and CEO is required to build up and maintain his holding of the shares at least up to a level, where the value of the company's shares corresponds to his annual gross salary.

The president and CEO is a participant in three performance-based share incentive plans.

The grant at target performance for the 2020-2022 performance-based share incentive plan is 10,688 performance shares, for the 2021-2023 performance-based share incentive plan 11,550 performance shares, and for 2022-2024 performance-based share incentive plan 10,000 performance shares. The performance criteria for all active performance share plans are Vaisala's share Total Shareholder Return for the period (weight 30%) and average EBIT % for the period (weight 70%).

The President and CEO is entitled to participate in a supplementary defined contribution pension plan with an annual fee corresponding to three month's base salary. The President and CEO's retirement age is 62 years.

No other financial benefits were paid to the President and CEO in 2022.

Remuneration of the President and CEO in 2022

EUR 1,000	Kai Öistämö
Salary	491
Short-term incentives	345
Share-based payments	169
Supplementary pension	114
Total	1,118

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