



Together creating  
Finland's new  
global success stories

2021

REMUNERATION REPORT



## Tesi

Together creating Finland's new global success stories.

- By financing growth companies, we raise Finland to the forefront of transformative economic growth.
- We invest in venture capital and private equity funds and directly in companies, as a minority owner.
- We invest profitably and responsibly, aiming for a positive societal impact.
- We develop Finland's venture capital and private equity market.
- We offer information and experience to companies, investors and decision-makers.
- We are a venture capital and private equity company, 100% owned by the Finnish state.



## Annual Report 2021

Tesi's (Finnish Industry Investment Ltd) Annual Report comprises four sections. Business Overview, Financial Review, Corporate Governance Statement, and Remuneration Report. All sections of the Annual Report are available in Finnish and English and can be downloaded from our website [tesi.fi](https://tesi.fi).

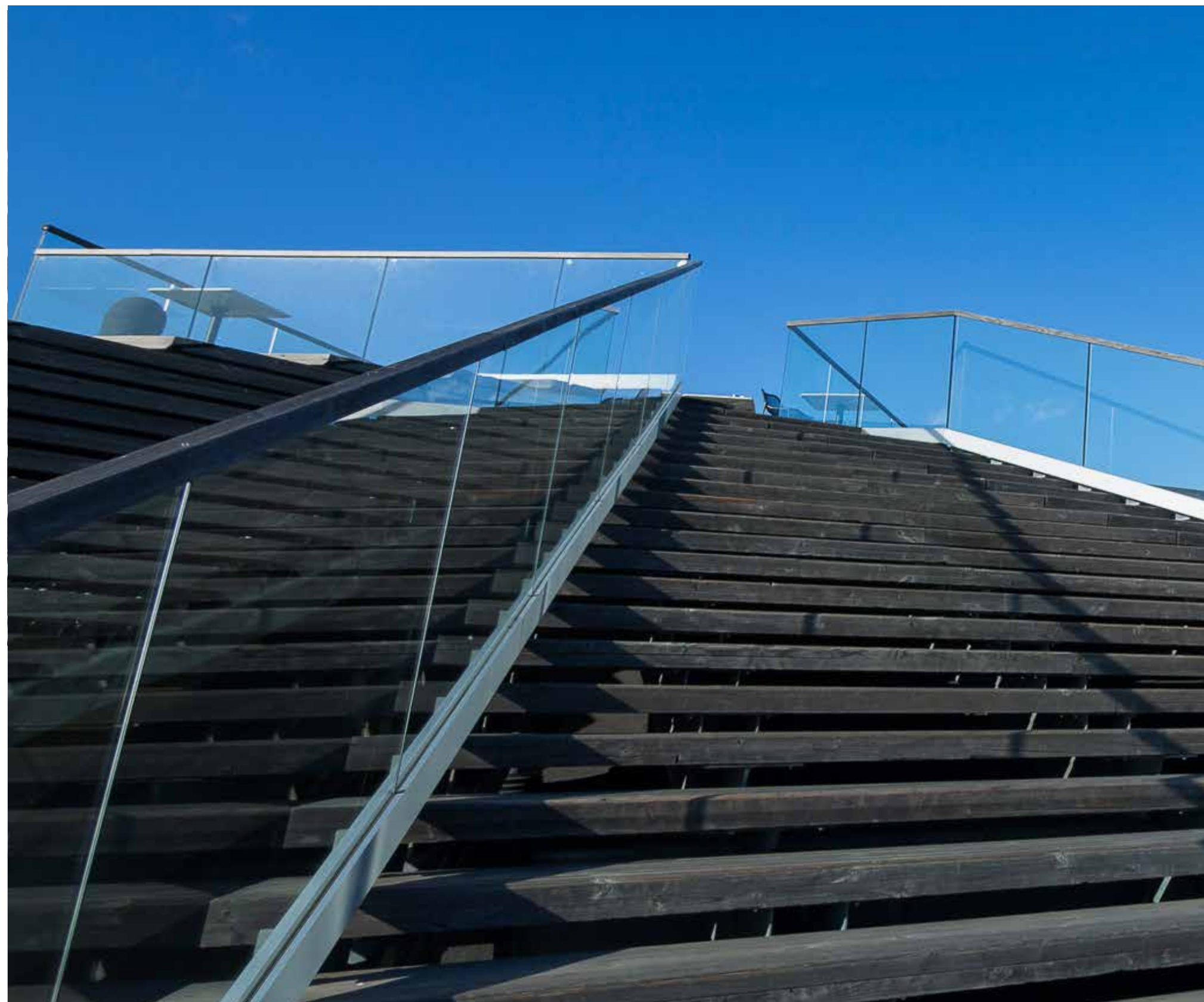
- **Business Overview:**  
Strategy, value creation, investment operations and corporate social responsibility
- **Financial Review:**  
Board of Directors' report and Financial Statements
- **Corporate Governance Statement:**  
Corporate governance, internal control and risk management systems
- **Remuneration Report:**  
Remuneration principles, remuneration of the Board of Directors and the CEO



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Tesi's Annual Report 2021 consists of four sections. This is the Remuneration Report, comprising remuneration principles, remuneration of the Board of Directors and the CEO.

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## Introduction

**TESI'S** (Finnish Industry Investment Ltd) remuneration is intended to promote achievement of the company's strategic goals, to increase value, and to boost the company's societal and economic impact. Tesi's remuneration is guided by the government resolutions of Finland's Council of State regarding state ownership policy. Tesi also complies with the applicable provisions of the Securities Market Association's updated Finnish Corporate Governance Code and publishes a remuneration report annually in accordance with these provisions.

The remuneration is planned to be competitive in comparison with the venture capital and private equity sector and other relevant reference groups with a societal dimension. All remuneration complies with the principle of being fair, impartial and transparent.

Tesi's remuneration system applies in its en-

” **Tesi's remuneration system applies in its entirety to all the company's personnel.**

tirety to all the company's personnel. Tesi's regular monetary remuneration consists of a basic salary and of an annual bonus based on set targets and paid as a monetary emolument. The company does not have any long-term, results-based bonus scheme, share-based bonus scheme or supplementary pension scheme.

The total aggregated amount of variable remuneration based on set targets is annually at most 15 per cent of the remuneration recipient's fixed annual salary. If the performance of both the company and the remuneration recipient is exceptionally good, the total aggregated amount of remuneration to be paid in any one year can be a maximum of 30 per cent of fixed annual salary.

Tesi's Annual General Meeting decides on the fees and other economic benefits paid to members of the Board of Directors. The company's Board of Directors decides on the principles and framework for remunerating management and personnel, based on the remuneration committee's proposal. The Annual General Meeting makes decisions based on the remuneration policy presented to it.

” **Remuneration is intended to promote achievement of the company's strategic goals, to increase value, and to boost the company's societal and economic impact.**

### Salaries and fees 2017–2021

	2017	2018	2019	2020	2021
Board of Directors' fees	132	137	137	133	166
CEO's salaries and fees	315	294	279	290	294
Personnel's salaries and fees	3,662	3,891	4,178	4,622	5,006
Financial development, assets under management, MEUR	1,173	1,209	1,334	1,861	2,352
Financial development, number of investments*	133	135	146	197	228
Financial development, return on equity investment, %	13	15	10	25	34

\* Finnvera's EAKR Aloitusrahasto I fund portfolio companies included, having been transferred under Tesi

### BOARD OF DIRECTORS' FEES

The Annual General Meeting held on 22 March 2021 decided on the fees to be paid to the Board of Directors as follows: Chair's monthly fee EUR 1,800; Vice Chair's monthly fee EUR 1,000; and member's monthly fee EUR 800; and in addition to these, a meeting fee of EUR 600 for meetings of the Board of Directors and its committees. Travel expenses are reimbursed in accordance with the company's travel regulations.

### Fees paid to members of the Board of Directors 2021

MEMBERS 31.12.21	MEMBERSHIP 2021	COMMITTEE MEMBERSHIP	SALARIES AND FEES, EUROS
Kimmo Jyllilä, Chairperson	1.1.–31.12.	remuneration committee	34,400
Riku Huttunen, Vice Chairperson	1.1.–31.12.	remuneration committee	24,200
Mia Folkesson	22.3.–31.12.	remuneration committee	19,100
Jacob af Forselles	3.6.–31.12.	remuneration committee	11,900
Minna Helppi	1.1.–31.12.	audit committee	22,900
Anniina Heinonen	1.1.–31.12.	audit committee	23,500
Pauli Kariniemi	1.1.–31.12.	audit committee	21,500
Annamarja Paloheimo	1.1.–22.3.	remuneration committee	4,100
Riitta Tiuraniemi	1.1.–22.3.	remuneration committee	4,400

### CEO'S REMUNERATION

In 2021, the remuneration paid to the CEO comprised a fixed annual salary and an annual bonus based on performance in 2020. The CEO's employment relationship is subject to notice of termination of six months. A payment equivalent to six months' salary is paid on termination of the CEO's employment in addition to the CEO's salary for the period of notice. The CEO's retirement age is Finland's statutory retirement pension age. The salaries and fees paid to the CEO in 2021 amounted to EUR 294,076. This comprised EUR 239,492 euros in basic salary and EUR 54,585 in annual bonus.