

● Remuneration Report 2024

Instruments and intelligence for climate action

Remuneration Report 2024

Remuneration Report 2024 for Governing Bodies of Vaisala Corporation has been prepared pursuant to the Finnish Corporate Governance Code 2020. The remuneration of governing bodies in 2023 has been in alignment with the Remuneration Policy.

CHAIR'S FOREWORD

Dear shareholders,

In 2024, the world continued to face complex challenges and uncertainty in the business environment. Regardless of the market challenges, Vaisala showed resilience with good growth in the Weather and Environment business and a strong position in Industrial Measurements.

Vaisala is committed to fair, competitive, and open compensation practices. To keep its remuneration practices aligned with the evolving market practices and industry trends, Vaisala continually reviews and enhances its remuneration practices. As part of this ongoing process, we have renewed the Remuneration Policy with adjustments to our compensation structure.

The Remuneration Policy was approved in the Annual General Meeting in March 2024, with market competitiveness, performance-driven incentives, and equitable pay as the key remuneration principles. Acknowledging the pivotal impact of climate change on our planet, the renewed policy also notices the role of sustainability in Vaisala's success, with environmental and social sustainability targets integrated into both short- and long-term incentive plans.

In 2024, significant emphasis has been on strengthening the 'pay for performance' philosophy, from target setting to decision on compensation. The company has enhanced pay transparency by working on foundational elements, such as redefining the job grade structure, to provide clearer visibility on how pay is determined and awarded. Lastly, maintaining pay competitiveness by benchmarking against Nordic technology companies continued as a key priority.

Through our approach to remuneration, the aim is to achieve better alignment with relevant industry norms and market realities, helping to attract the best talent and ensuring growth in the long run.

We welcome shareholder feedback on the Remuneration Report.

Antti Jääskeläinen,

Chair of the People and Sustainability Committee

Remuneration linked to long-term business performance

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.

The Annual General Meeting approved an increase for the Board remuneration in 2021. In addition, year-on-year variation of total remuneration is influenced by meeting fees. In 2024, the Annual General Meeting approved an additional meeting fee for Board members residing outside Finland who attend meetings in person. Otherwise, the remuneration of the Board remained unchanged.

In adherence to Vaisala's remuneration principles of linking rewards with performance, our approach to remuneration includes a balanced mix of base pay and variable pay, directly linked to performance at the individual, team, business/function, and company levels. The Short-Term Incentive (STI) scheme have been connected to key metrics such as EBIT and net sales for the relevant year, and it incorporates targets across multiple levels to ensure that employees are both contributing to and rewarded for the performance. This not only recognizes successes but also motivates employees to go beyond expectations and deliver impactful results. The Long-Term Incentive (LTI) schemes are based on our commitment to long-term financial success and share value creation. Our LTI schemes, approved annually by the Board of Directors, consist of Performance Share Plans (PSP), each with a three-year performance period. The schemes are based on the development of total shareholder return (TSR) and the group's profitability over the performance period. This combination creates alignment that the participants are not only rewarded

for the company's financial performance but also for the overall value creation for our shareholders.

In 2024, we strengthened our commitment to sustainability by integrating specific sustainability target into both our STI and LTI schemes. This integration highlights our dedication to sustainable growth and emphasizes the importance of sustainability as a core component of our strategic priorities.

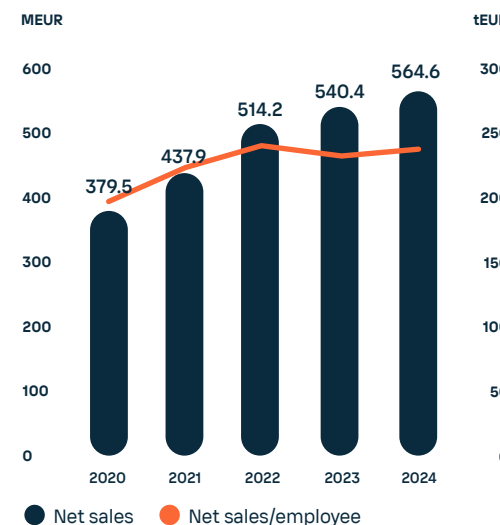
We conducted a remuneration analysis to benchmark the President and CEO's compensation against a peer group of Nordic technology companies of comparable size, scope, and industry. A compensation adjustment for the President and CEO was made in line with our Remuneration Policy. Adjustments to the Short-Term Incentive were also implemented to strengthen the link between remuneration and performance. A substantial proportion of the remuneration is derived from variable

pay, i.e. short- and long-term incentives. This structure aims to build a robust connection between performance and rewards.

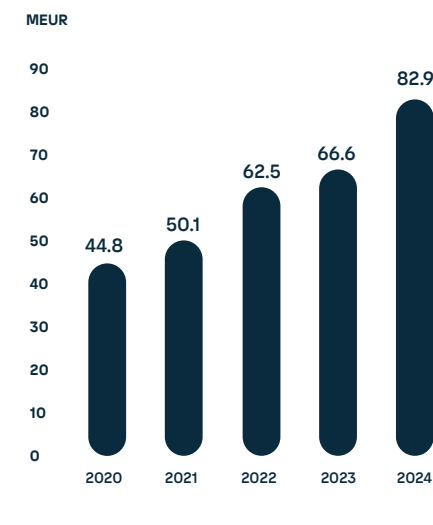
As a global company, Vaisala's remuneration policy applies to all its employees worldwide. Thus, comparing the development of the President and CEO and Board of Directors' remuneration with the global employee base helps build transparent and sustainable long-term development. The following table presents the development of the average employee remuneration, alongside that of the President and CEO and Board of Directors, in conjunction with the company's financial performance over the past five financial years.

All rewards have been paid by Vaisala Corporation. During 2024, the company has not exercised any rights to modify, cancel, or reclaim any paid rewards.

NET SALES



OPERATING RESULT (EBIT)



Company performance and remuneration 2020–2024

| EUR 1,000 | 2024 | 2023 | 2022 | 2021 | 2020 |
|-------------------------------|-------|-------|-------|-------|-------|
| Chair of the Board | 65 | 66 | 62 | 61 | 55 |
| Vice Chair of the Board | 51 | 51 | 48 | 45 | 46 |
| President & CEO* | 1,268 | 1,663 | 1,004 | 784 | 2,092 |
| Vaisala employee on average** | 79 | 74 | 72 | 72 | 67 |
| Net sales, MEUR | 564.6 | 540.4 | 514.2 | 437.9 | 379.5 |
| Operating result (EBIT), MEUR | 82.9 | 66.6 | 62.5 | 50.1 | 44.8 |

* Values are excluding pension fees. Year 2020 includes remuneration of two CEO's pro-rated to their time in service.

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

VAISALA'S SERIES A SHARE PRICE 2020–2024



Remuneration of the Board of Directors for 2024

The Annual General Meeting of Vaisala Corporation held on March 28, 2024, 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. The company compensates for the asset transfer tax. No special terms or conditions are associated with the share ownership.

Remuneration of the Board of Directors 2024 (payment basis)

| EUR 1,000 | | Annual remuneration | Compensation, Audit Committee | Compensation, People and Sustainability Committee | Compensation, Nomination Committee | Board meeting fee for members residing outside of Finland | Total |
|------------------------------------|-------------------------|---------------------|-------------------------------|---|------------------------------------|---|------------|
| Ville Voipio | Chair of the Board | 55 | | 5 | 5 | | 65 |
| Raimo Voipio | Vice Chair of the Board | 40 | 6 | | 5 | | 51 |
| Annica Bresky | Member of the Board | 40 | | 4 | 4 | 5 | 53 |
| Petri Castrén | Member of the Board | 40 | 6 | | | | 46 |
| Antti Jääskeläinen | Member of the Board | 40 | 1 | 4 | | | 45 |
| Petra Lundström (until March 2024) | Member of the Board | | | 1 | 1 | | 2 |
| Jukka Rinnevaara | Member of the Board | 40 | | 5 | | | 45 |
| Lotte Rosenberg | Member of the Board | 40 | 3 | | | 5 | 48 |
| Kaarina Ståhlberg | Member of the Board | 40 | 9 | | 1 | | 50 |
| Tuomas Syrjänen | Member of the Board | 40 | | 5 | 4 | | 49 |
| Total | | 375 | 25 | 24 | 20 | 10 | 454 |

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, the Nomination Committee, and any other committee established by the Board of Directors. In addition, members of the Board residing outside of Finland will be paid a meeting fee of EUR 1,000 per meeting attended in person. The meeting fees are paid in cash. Travel expenses for all Board members were reimbursed according to Vaisala's travel policy.

Remuneration of the President and CEO for 2024

In 2024, the total remuneration paid to Vaisala's President and CEO Kai Öistämö amounted to EUR 1,268,318. The relative proportion of fixed pay was 49% and variable pay 51%. The fixed pay includes a base salary, fringe benefits, and a defined contribution scheme in addition to the Finnish statutory pension, while variable pay includes short- and long-term incentives, and a one-time payment.

Remuneration of the President and CEO in 2024

| EUR 1,000 | Kai Öistämö |
|-----------------------------|--------------|
| Base salary and benefits | 532 |
| Supplementary pension | 85 |
| Short-Term Incentives (STI) | 120 |
| Long-Term Incentives (LTI) | 506 |
| One-time payment | 25 |
| Total | 1,268 |

The total target remuneration for the President and CEO for 2024 was 43% fixed pay, 18% short-term incentives (43% of the fixed pay), and 39% long-term incentives (at target 17,000 shares, share price EUR 33.4 at the time of the grant).

Short-Term Incentives (STI)

For the performance period 2023, the maximum Short-Term Incentive (STI) for the President and CEO was 72% (45% at target) of the annual base salary. The payout is 23.4% of the annual base salary. The payment of EUR 119,803 was paid in March 2024.

For the performance period 2024, the maximum Short-Term Incentive (STI) for the President and CEO was 100% (50% at target) of the annual base salary. The payout is 69% of the annual base salary. The payment of EUR 369,495 will be paid in March 2025.

| STI 2023 paid in 2024 | | | STI 2024 paid in 2025 | | |
|---|-----------|----------------------------|--|-----------|----------------------------|
| KPI | Weighting | Achievement | KPI | Weighting | Achievement |
| Vaisala's EBITA | 50% | Between minimum and target | Vaisala's EBIT | 50% | Between target and maximum |
| Vaisala's net sales | 45% | Between minimum and target | Vaisala's net sales | 40% | Between target and maximum |
| Environmental, Social and Governance (emission reduction) | 5% | Between minimum and target | Environmental, Social and Governance (% of entry-level positions of total new permanent hires) | 10% | Between target and maximum |

Long-Term Incentives (LTI)

The reward for the 2021-2023 performance share plan was based on the development of total shareholder return (TSR) and the group's profitability over the three-year plan period. The maximum gross reward shares were 23,100. A reward of 13,682 shares was paid to the President and CEO in March 2024, with 50% paid in shares and 50% in cash to cover the income tax withholdings. The total value of the reward was EUR 506,246.

The reward for the 2022-2024 performance share plan was based on the development of total shareholder return (TSR) and the group's profitability over the three-year plan period. The maximum gross reward shares were 20,000. A reward of 5,656 shares will be paid to the President and CEO in March 2025, with 50% paid in shares and 50% in cash to cover the income tax withholdings.

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 currently a participant in the ongoing Performance Share Plans of 2023-2025, 2024-2026, and 2025-2027.

The performance criteria for the Performance Share Plan 2023-2025 are based on the development of the total shareholder return (TRS) and the group's profitability over the three-year plan period. The maximum gross reward shares are 26,000. Potential rewards will be paid partly in the company's shares and partly in cash in 2026.

The performance criteria for the Performance Share Plan 2024-2026 are based on the development of the total shareholder return (TRS), the group's profitability over the three-year plan period, and ESG metrics. The maximum gross reward shares are 34,000. Potential rewards will be paid partly in the company's shares and partly in cash in 2027.

The performance criteria for the Performance Share Plan 2025-2027 are based on the development of the total shareholder return (TRS), the group's profitability over the three-year plan period, and ESG metrics. The maximum gross reward shares are 28,700. Potential rewards will be paid partly in the company's shares and partly in cash in 2028.

The President and CEO is also entitled to a supplementary defined contribution pension plan, with an annual fee adjusted from three month's base salary to two months. The President and CEO's contractual retirement age is in accordance with Finnish pension regulations.

In 2024, a one-time payment of EUR 25,000 was made to the President and CEO.

Additionally, the car benefit for the President and CEO has been discontinued and will no longer be provided.

No other financial benefits were paid to the President and CEO in 2024.

VAISALA

vaisala.com

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