

# REMUNERATION OF THE CARGOTEC LEADERSHIP TEAM MEMBERS 2022 (EXCLUDING PRESIDENT AND CEO)

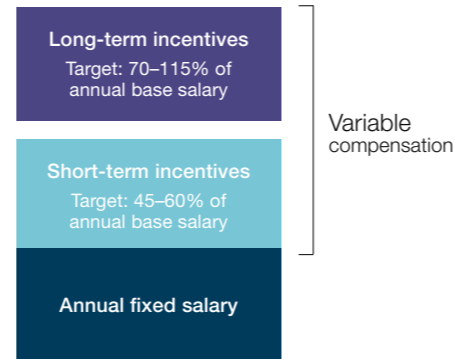
## Decision-making procedure

Cargotec's compensation and benefits policy is applied in determining the total remuneration of Cargotec's Leadership Team. The policy is approved by the Board of Directors (Board). Based on a proposal by the President and CEO and the Board's Nomination and Compensation Committee (NCC), the Board decides on the annual base salary, short-term incentive programmes and benefits of the Leadership Team. In addition, the Board decides on long-term incentive programmes and on the target group and allocation of such programmes based on a proposal by the NCC.

## Remuneration structure

The total target remuneration structure of the Leadership Team comprises a fixed base salary including fringe benefits and incentive plans, for which both short- and long-term targets have been defined. The variable salary component consists of share-based incentive programmes linked to the Company's long-term targets, as well as a short-term incentive programme. Relevant market practices are closely followed when defining the remuneration elements.

## Total target remuneration



## Short-term incentives

### Annual Bonus Programme:

Programme purpose	To reward and incentivise achievement of financial, strategic, operational and sustainability targets aligned with Cargotec's business strategy.
Performance period	1 year, no bonus deferral applied.
Performance criteria	Cargotec or Business Area specific financial targets and strategic individual targets.
Maximum earning opportunity	90–120% of annual base salary. Varies by role.

## Cargotec's annual performance management process links strategic targets, performance and pay:



## Long-term incentives

### Share-based incentive programmes as of May 2023:

Programme	2020	2021	2022	2023	2024	2025	2026
2020–2022 Performance Share Programme*	Measuring period 1: - Comparable operating profit	Measuring period 2: - Service gross profit	Measuring period 3: - Eco portfolio order intake & Mission Climate Roadmap	€			
2021–2023 Performance Share Programme*		Measuring period 1: - Comparable operating profit	Measuring period 2: - Service gross profit	Measuring period 3: - TBD	€		
2022–2024 Performance Share Programme*			Measuring period 1: - Comparable operating profit	Measuring period 2: - TBD	Measuring period 3: - TBD	€	
2022–2024 Restricted Share Unit Programme				€	€		
2023–2025 Performance Share Programme*				Measuring period 1: - Earnings per share (EPS)	Measuring period 2: - TBD	Measuring period 3: - TBD	€
2023–2025 Restricted Share Unit Programme						€	

€ = share delivery / incentive payment.

\* As a part of total compensation, restricted shares can be allocated in addition to the Performance Share Programme participation. The total length of the Restricted Shares Programme is aligned with the Performance Share Programme (3 years).

### 2020–2024 Performance Share Programme

The Performance Share Programme includes three performance periods; calendar years 2020–2022, 2021–2023 and 2022–2024. Each performance period includes one to three measuring periods. One measuring period can be three calendar years at maximum, which is the total length of one performance period. The reward is granted and settled in Cargotec class B shares on top of which Cargotec pays taxes and tax-related expenses. No reward will be paid if a key employee's employment or service ends before the reward payment.

### 2023–2025 Performance Share Programme

The Performance Share Programme includes calendar years 2023–2025 as a performance period. The performance period includes three measuring periods of one calendar year. The reward is granted and settled in Cargotec class B shares on top of which Cargotec pays taxes and tax-related expenses. No reward will be paid if a key employee's employment or service ends before the reward payment.

Performance period	3 years.
Performance criteria	Cargotec or Business Area specific financial and sustainability targets.
Maximum earning opportunity	140–230% of annual base salary. Varies by role. Includes both Performance Share Programme and Restricted Shares Programme allocation.

Other share-based incentive programmes in which selected Leadership Team members are participating:

- 2022–2024 Restricted Share Unit Programme
- 2023–2025 Restricted Share Unit Programme

## Purpose and operation of the other share-based incentives

### 2022–2024 Restricted Share Unit Programme

The reward from the Restricted Share Unit Programme 2022–2024 is conditional on the achievement of strategic goals set by the Board of Directors. The reward is paid in two installments, half in the spring of 2023 and half in the spring of 2024. The shares received as a reward from the programme's first installment may not be sold, transferred, pledged or otherwise assigned during a lock-up period which ends on 31 December 2023. In addition, a cash proportion is included in the reward to cover taxes and tax-related costs arising from the reward.

### 2023–2025 Restricted Share Unit Programme

The reward from the Restricted Share Unit Programme 2023–2025 is conditional on the achievement of strategic goals set by the Board of Directors. In addition, the reward is based on a valid employment or service and the continuity of the employment or service. The reward is paid in the beginning of 2025. The shares received as a reward from the programme may not be sold, transferred, pledged or otherwise assigned during a lock-up period which ends six months after the reward payment. In addition, a cash proportion is included in the reward to cover taxes and tax-related costs arising from the reward.

### Share ownership recommendation

One-year gross base salary, the recommendation is to be fulfilled through refraining from transferring shares received under the Cargotec share-based incentive programmes.

### Pension

Finnish members of the Leadership Team are entitled to a statutory pension. Their retirement age is determined in accordance with the statutory pension scheme in Finland. Additionally, one Finnish member has a supplemental defined contribution pension plan. Kalmar and Hiab Business Area Presidents have a supplemental defined contribution pension plan, following the local market practice.

### Severance pay

The members of the Leadership Team have a period of notice of 6 months and are entitled to compensation, for termination of employment, corresponding to 6 months' salary.

## Remuneration paid in 2022

Remuneration paid during 2022, euros	Leadership Team (in aggregate)*
Annual fixed salary (base salary including fringe benefits)	3,187,832
Short-term incentives (based on 2021 performance, taxable gross amount before deduction of taxes and employment-related expenses)	1,602,692
Matching shares: 3rd installment in 2022 (taxable gross amount before deduction of taxes and employment-related expenses)	1,089,731
Supplemental pension contribution	500,000
<b>Total</b>	<b>6,380,255</b>

\* Outi Aaltonen, Leif Byström, Carina Geber-Teir, Antti Kaunonen (until 30 June 2022), Mikael Laine, Soili Mäkinen, Mikko Pelkonen, Mikko Puolakka, Scott Phillips, Michel van Roozendaal.

Actual number of shares delivered in 2022	Leadership Team (in aggregate)
2019–2022 Matching Share Programme: 3rd installment in 2022; class B shares	16,516
<b>Total</b>	<b>16,516</b>

Actual number of shares granted in 2022	Leadership Team (in aggregate)
2022 share-based incentive programme: 2022–2024 earning period; On target performance, net number of class B shares. Additionally, a cash portion to cover taxes and employment-related expenses.	26,750
2022–2024 restricted share programme. Net number of class B shares. Additionally, a cash portion to cover taxes and employment-related expenses.	11,950
2022–2024 restricted share unit programme. Net number of class B shares. Additionally, a cash portion to cover taxes and employment-related expenses.	32,400
<b>Total</b>	<b>71,100</b>