

Corporate
governance and
remuneration
2025



VARMA

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Corporate Governance

Varma's central executive bodies are the Annual General Meeting, the Supervisory Board, the Board of Directors and the President and CEO.

Varma's governance is based on the Finnish Act on Earnings-Related Pension Insurance Companies. Varma complies with the applicable provisions of the Finnish Corporate Governance Code.

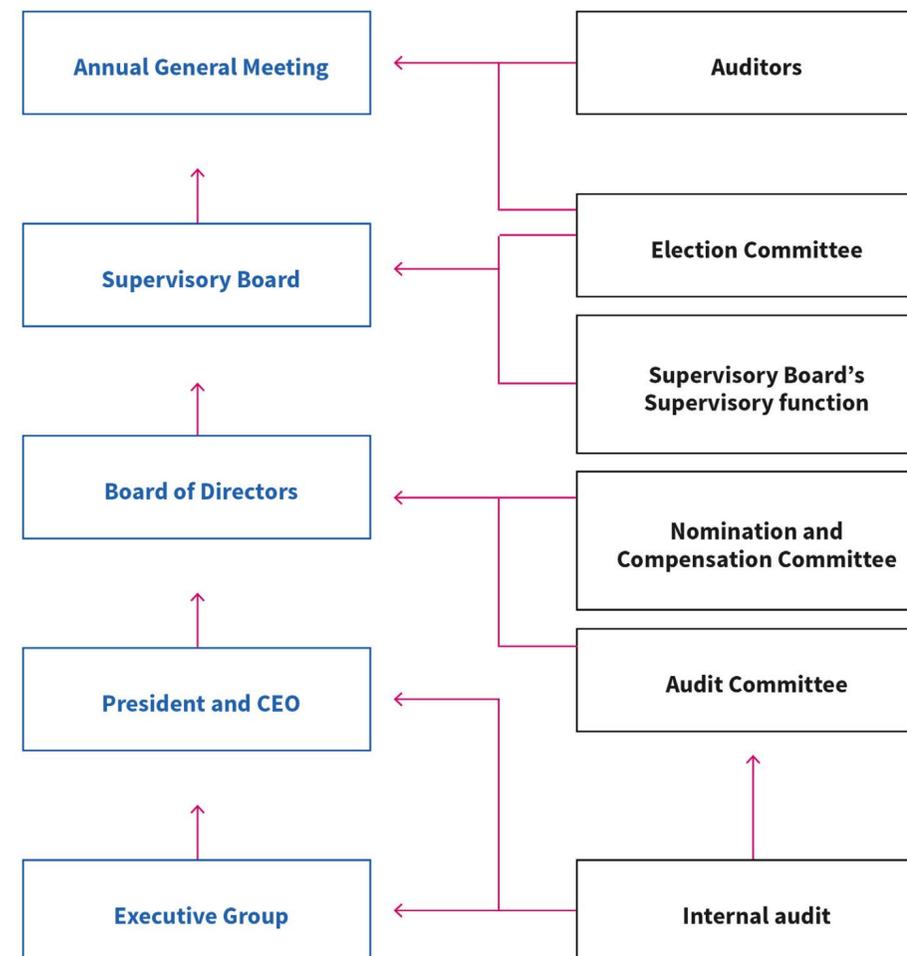
The starting point for Varma's corporate governance is the company's core task, which is the implementation of statutory earnings-related pension security. The statutory earnings-related pension scheme was created by an agreement concluded between the government and labour market organisations, and the tripartite model still plays a key role in the development of the system. Labour market organisations also participate in the administration of earnings-related pension companies.

A key objective is to ensure the transparency of the company's operations and administration, which in turn will contribute to strengthening public confidence in the earnings-related pension scheme.

Good governance is also part of the sustainability of Varma's operations.

Read more about Varma's governance and management and about the company on our [website](#).

Corporate governance structure



Corporate Governance Report

Varma's corporate governance system is based on the Finnish Act on Earnings-Related Pension Insurance Companies. This report is drawn up pursuant to Finnish Corporate Governance Code 2025 as applicable to the operations of earnings-related pension insurance companies. The report is published separately from the company's Report of the Board of Directors. Deviations from the Code are presented below. The Code is available on the Securities Market Association's website. This report describes the situation on 31 December 2025.

Deviations from the Finnish Corporate Governance Code

The following is a summary of the deviations from the recommendations of the Finnish Corporate Governance Code at Varma.

- Recommendations 1, 3 and 5 – Election of the Board of Directors: Varma deviates from the recommendation as, under the Act on Earnings-Related Pension Insurance Companies, the Annual General Meeting elects the members of the earnings-related pension company's Supervisory Board, which in turn appoints all members of the earnings-related pension insurance company's Board of Directors.

- Recommendation 6 – Term of Office of the Board of Directors: The term of office of the members of Varma's Board of Directors deviates from the recommended one year. Under the Articles of Association, the term of each member lasts three years, such that the terms of four members expire each year.
- Recommendations 10, 16, 17 and 18 – Number of independent Board and Committee members: The composition of Varma's Board of Directors and its committees is assessed on the basis of the Finnish Act on Earnings-Related Pension Insurance Companies. Therefore, at least half of the Board members are elected on the proposal of the labour market central organisations. Since Varma is a mutual earnings-related pension insurance company, other members are persons who belong to the operative management of its client companies. The members of the Board of Directors' committees are elected from among the Board members.
- Recommendation 22 – Decision-Making Relating to Remuneration: according to the Finnish Act on Earnings-Related Pension Insurance Companies, the Supervisory Board is responsible for decision-making relating to the remuneration of the Board of Directors and its committees.

Annual General Meeting

At Varma, the supreme power of decision is exercised in the General Meeting by the shareholders, who are:

- policyholders with a valid insurance contract with Varma pursuant to the legislation concerning employees' pensions;
- self-employed persons with a valid insurance contract with Varma pursuant to the legislation concerning self-employed persons' pensions;
- those persons jointly insured under one insurance policy who are covered by basic insurance valid with Varma pursuant to the legislation concerning employees' pensions.

The number of votes that a shareholder can exercise in the General Meeting is based on paid insurance contributions as specified in the Articles of Association.

The Annual General Meeting shall be held annually before the end of May. An Extraordinary General Meeting shall be held when the Board of Directors or the Supervisory Board considers it necessary, or when it must be held pursuant to the Insurance Companies Act.

According to the Articles of Association, the Annual General Meeting shall confirm the

Financial Statements and the Consolidated Financial Statements and decide on the disposal of profit, on discharging the responsible persons from liability and on the remuneration payable to the members of the Supervisory Board and the Auditors. The Annual General Meeting elects the members of the Supervisory Board. The Annual General Meeting also elects the auditor and sustainability reporting assurance provider and, if necessary, the deputy auditor.

Supervisory Board

As laid down in the Finnish Act on Earnings-Related Pension Insurance Companies, Varma has a Supervisory Board that oversees the administration of the company by the Board of Directors and the CEO.

- In addition to this, the Supervisory Board:
- elects the members and deputy members of the Board of Directors;
 - approves the remuneration of the Board of Directors' members; and
 - appoints the Election Committee from among its own members or from the members of the Board of Directors.

The 32 members of the Supervisory Board are elected by the Annual General Meeting. The Annual General Meeting elects the members

of the Supervisory Board in accordance with the Articles of Association:

- seven members from among candidates put forward by major employer organisations;
- eleven members from among candidates put forward by major employee organisations;
- fourteen other members.

Each member is elected for a term of three years, so that each year the terms of a maximum of eleven members expire. The Supervisory Board elects the Chair and the Deputy Chairs from among its members each year. Under the Act on Earnings-Related Pension Insurance Companies, one of them must be elected on the proposal of the members representing the insured. The eligibility criteria concerning the members of the Supervisory Board are laid down in the Act on Earnings-Related Pension Insurance Companies.

Supervisory Board's supervisory function

To carry out the supervisory function of the Supervisory Board, the presiding officers and four members of the Supervisory Board meet regularly with the chairs of the Board of Directors and the CEO at least twice a year. In

2025, the members were, in addition to presiding officers, Juri Aaltonen, Marko Hovinmäki, Katariina Kravi and Jorma Vehviläinen.

The meetings of the supervisory function address issues that are important and key in terms of the continuous supervision of Varma's task and administration, such as the company's strategy and operational planning, the company's situation, the achievement of targets and results, realised and potential major risks, and other current matters. Varma's specialists may be heard at the meetings.

Election Committee

The Supervisory Board appoints the Election Committee from among its members or from the members of the Board of Directors. Under the Finnish Act on Earnings-Related Pension Insurance Companies, the Chair or the Deputy Chair of the Committee must be elected on the proposal of the Supervisory Board members representing the insured. In addition to the Chairman and the Deputy Chairman, Varma's Election Committee also has four other members, of whom:

- two are elected on the proposal of the Supervisory Board members representing the policyholders; and
- two are elected on the proposal of the Supervisory Board members representing the insured.

Christoph Vitzthum, Chair of the Supervisory Board, acted as the Chair of the Election Committee, and Petri Vanhala (Deputy Chair of the Supervisory Board) acted as the Deputy Chair of the Election Committee. Of the members, Antti Palola (Deputy Chair of the Board of Directors), Pekka Piispanen (member of the Board of Directors) and Petri Vanhala represented the insured, while Chair Christoph Vitzthum, Jaakko Eskola (Chair of the Board of Directors) and Anu Ahokas (Deputy Chair of the Board of Directors) represented the policyholders in 2025.

Else-Mai Kirvesniemi was elected to replace Antti Palola on the Election Committee for 2026.

The Election Committee submits a proposal to the Annual General Meeting on the election of Supervisory Board members and on the members' remunerations, and submits a similar proposal to the Supervisory Board concerning the members of the Board of Directors. In addition, the Election Committee prepares for the Supervisory Board the selection of the members of its supervisory function.

Members of the Supervisory Board 31 December 2025

Chair Christoph Vitzthum

male, b. 1969
President & CEO, Fazer Group
Term expires in 2028

Deputy Chair Päivi Leiwo

female, b. 1964
Deputy Chair of the Board of Directors,
Oilon Group Oy
Term expires in 2027

Deputy Chair Petri Vanhala

male, b. 1963
President, Finnish Paperworkers' Union
Term expires in 2027

Juri Aaltonen

male, b. 1969
Chairman, Federation of Special Service and
Clerical Employees ERTO
Term expires in 2027

Ari Akseli

male, b. 1972
President of the Grocery Trade Division,
Kesko Corporation
Term expires in 2028

Eero Broman

male, b. 1963
Chairman of the Board of Directors,
Broman Group Oy
Term expires in 2026

Petri Castrén

male, b. 1962
Chief Financial Officer, Kemira Oyj
Term expires in 2028

Kim Forsström

male, b. 1976
Head of Large Corporates & Institutions
Finland, Danske Bank A/S, Finland Branch
Term expires in 2028

Lasse Heinonen

male, b. 1968
Managing Director, Monere Oy
Term expires in 2026

Marko Hovinmäki

male, b. 1969
Chairman of MMA, the Union of Sales and
Marketing Professionals
Term expires in 2026

Mika Joukio

male, b. 1964
Term expires in 2028

Janne-Olli Järvenpää

male, b. 1971
CEO, Mehiläinen Group
Term expires in 2027

Jukka Jäämaa

male, b. 1965
Country Manager Finland, ISS Palvelut Oy
Term expires in 2026

Risto Kalliorinne

male, b. 1971
Organisational Director, Service Union united
PAM
Term expires in 2027

Anne Karjalainen

female, b. 1970
Financial Director, Trade Union for the Public
and Welfare Sectors JHL
Term expires in 2026

Ville Kopra

male, b. 1977
CEO, Versowood Oy
Term expires in 2027

Tapio Korpeinen

male, b. 1963
CFO, UPM-Kymmene Corporation, Executive
Vice President, UPM Energy
Term expires in 2026

Jari Korpela

male, b. 1976
Chairman, Finnish Electrical Workers' Union
Term expires in 2028

Katariina Kravi

female, b. 1967
Executive Vice President, People and
Communication, Stora Enso
Term expires in 2026

Pekka Kuusniemi

male, b. 1968
CEO, VAK Group
Term expires in 2028

Hanna Lylander

female, b. 1975
Divisional CFO, SSAB Europe Oy
Term expires in 2027

Elisa Markula

female, b. 1966
CEO, VR Group Plc
Term expires in 2028

Maria Mäkynen

female, b. 1988
Director of Public Affairs, Union of Professional
Engineers in Finland
Term expires in 2026

Pasi Pesonen

male, b. 1981
Organisation Director, Trade Union of
Education, OAJ
Term expires in 2028

Marko Piirainen

male, b. 1975
Director, Central Organisation of Finnish Trade
Unions SAK
Term expires in 2028

Perttu Puro

male, b. 1971
CEO, Tradeka Cooperative
Term expires in 2027

Tarja Tyni

female, b. 1964
SVP, Mandatum plc
Term expires in 2028

Simo Pöyhönen

male, b. 1976
Executive Director, Social Science
Professionals, YKA
Term expires in 2027

Jorma Vehviläinen

male, b. 1967
CFO, Suomen Osuuskauppojen Keskuskunta
SOK
Term expires in 2027

Mika Rautiainen

male, b. 1962
CEO, Tokmanni Group
Term expires in 2026

Anssi Vuorio

male, b. 1965
Director of Industry Sector, Trade Union Pro
Term expires in 2026

Pekka Tiitinen

male, b. 1967
Chair, Professor of Practice, VTT Technical
Research Centre of Finland Ltd
Term expires in 2027

In 2025, 22 per cent of the members of the Supervisory Board were female, and 78 per cent were male. The term of Eeva Sipilä ended at the Annual General Meeting on 11 March 2025. Olavi Huhtala resigned from the Supervisory Board effective 1 February 2025.

An up-to-date [list of the members of the Supervisory Board](#) is available on Varma's website. The Supervisory Board convened three times in 2025, and the average attendance rate of the members was 83.3 per cent.

Composition and duties of the Board of Directors

The task of the Board of Directors is to see to Varma's administration and the appropriate organisation of its operations. Under the Finnish Act on Earnings-Related Pension Insurance Companies, the Board of Directors shall manage the company in a professional manner, in accordance with sound and prudent business principles and sound governance principles, draw up an investment plan on the investment of the company's assets, and perform together with the executive management a risk and solvency assessment as part of strategic decision-making and risk management.

In accordance with the Act on Earnings-Related Pension Insurance Companies and by virtue of its own charter, the Board approves the description of Varma's corporate governance system and the continuity plan, as well as the operating principles for internal control, the risk management system, the arrangement of internal auditing, the identification and prevention of conflicts of interest, employee rewards, the outsourcing of functions and the ownership policy. The Board of Directors evaluates the corporate governance system, written operating principles and continuity plan on an annual basis.

The Board of Directors appoints and dismisses the President and CEO. In accordance with its charter, the Board of Directors also:

- appoints the directors that report directly to the CEO;

- decides on the terms of employment and remuneration systems for the CEO and members of the Executive Group;
- appoints, if necessary, a deputy CEO;
- appoints an actuary and senior physician;
- evaluates the activities of the CEO, the deputy CEO and the directors who report directly to the CEO, and the management resources and their adequacy;
- approves the basic organisation of the company and composition of the Executive Group;
- arranges the company's administration such that the Board of Directors is able to efficiently and independently monitor the President and CEO, other executive management and the rest of the organisation;
- ensures that the company has a corporate governance system in place in which the areas of responsibility are defined and which enables compliance with healthy and prudent business principles in the operations;
- decides on personnel remuneration schemes;
- approves the company's values;
- decides on the strategic targets and overall strategy;
- approves the operating expenses budget;
- exercises the supreme power of decision related to investment operations, approves the powers of decision in investment operations;
- draws up an investment plan and follows up on its implementation;

- carries out, together with the executive management, a risk and solvency assessment as part of strategic decision-making and risk management, and keeps the assessment updated;
- approves the financial statements, signs the financial statements and the report of the Board of Directors, which includes the sustainability statement, and sees to it that control of the company's accounting and financial affairs is appropriately arranged;
- oversees the arrangement and organisation of internal control at all organisational and operational levels, and annually assesses whether the company's internal control is arranged appropriately and, if necessary, initiates corrective measures;
- decides on compliance operations;
- decides on the client bonus policy;
- decides on both incoming and outgoing insurance portfolio transfers (company pension fund transfers);
- decides on the company's actuarial principles applications;
- appoints the members of the consultative committees and approves the rules and remuneration for the committees;
- decides on the authorisations to sign for the company;
- convenes the Annual General Meeting and prepares the agenda for the Annual General Meeting and the Supervisory Board meetings;
- approves, if necessary, company-wide guidelines on key topics; and

- annually elects the members and approves the rules of the Audit Committee and the Nomination and Compensation Committee.

In its annual self-assessment, the Board of Directors assesses the conditions for its activities, the method of discussion and decision-making at its meetings, the division of work and co-operation between the Board and the executive management, and the company's internal controls and risk management.

Pursuant to the Finnish Act on Earnings-Related Pension Insurance Companies, electing members to the Board of Directors is the responsibility of the Supervisory Board. The election is prepared by the Election Committee with the aim of ensuring a composition that is necessary for Varma's operation and competitiveness and meets the eligibility criteria as a whole and in terms of each individual member. Members of the Board of Directors of an earnings-related pension insurance company must be of good reputation with expert knowledge of the business. There must also be a good understanding of investment operations within the Board of Directors as a whole.

The eligibility criteria concerning the members of the Board of Directors are laid down in the Act on Earnings-Related Pension Insurance Companies.

The composition of Varma's Board of Directors is planned for the long term. Efficient work requires sufficient and diverse expertise, competence and experience and sufficient representation of both genders.

The Board of Directors has 12 members and three deputy members. The election procedure is as follows:

- Two members and one deputy member are elected from among the persons put forward by the main employers' central organisations.
- Four members and one deputy member are elected from among the persons put forward by the main employees' central organisations.
- Six further members and one deputy member are also elected.

The terms of four members of the Board of Directors expire each year. The Board will select a chair and two deputy chairs from among its members. There are no members of Varma's Executive Group on the Board of Directors.

None of the Board members had an employment relationship with or held a position at Varma in 2025 or in the two years prior to that, nor do any of them receive compensation from Varma for services rendered or other advice not connected with the duties of the Board. Members and the companies under their control do not have equity holdings or equity-based rights in Varma's Group companies. Information on the remuneration paid to the Board of Directors is presented in a separate statement on [remuneration at Varma](#).

Members of the Board of Directors 31 December 2025

Ordinary members



Chair Jaakko Eskola

male, b. 1958
M.Sc. (Eng.)
Member since 2021
Term expires in 2026



Deputy Chair Anu Ahokas

female, b. 1979
M. Soc. Sc.
CEO, StaffPoint Group
Member since 2021
Term expires in 2028



Deputy Chair Antti Palola

male, b. 1959
Sea Captain
Chairman, Finnish Confederation of Salaried
Employees STTK
Member since 2014
Term ended 31 December 2025



Riku Aalto

male, b. 1965
M.Sc. (Admin.)
President, Industrial Union
Member since 2012
Term expires in 2026

Ordinary members



Nina Arkilahti
female, b. 1967
M.Soc.Sc.,
B.Sc. (Econ. & Bus. Admin.)
Head of Business Banking, Nordea
Member since 2025
Term expires in 2027



Eveliina Dahl
female, b. 1983
M.Sc. (Eng.)
Executive Vice President, HR,
Elisa Corporation
Member since 2025
Term expires in 2026



Anja Frada
female, b. 1981
M.Sc. (Econ.)
Vice President, Finance & Control, Wärtsilä
Energy
Member since 2024
Term expires in 2026



Kristiina Mäkelä
female, b. 1966
Ph.D. (Econ.)
Professor, Provost, Aalto University
Member since 2024
Term expires in 2028

Ordinary members



Simon-Erik Ollus

male, b. 1978

M. Soc. Sc.

Executive Vice President, Corporate Customers
and Markets, Fortum Oyj

Member since 2025

Term expires in 2027



Teo Ottola

male, b. 1968

M.Sc. (Econ.)

CFO, Konecranes Plc

Member since 2022

Term expires in 2027



Pekka Piispanen

male, b. 1960

M.A.

Director, Akava ry

Member since 2017

Term expires in 2028



Saana Siekkinen

female, b. 1972

M.Soc.Sc.

Director, Central Organisation of
Finnish Trade Unions SAK

Member since 2020

Term expires in 2028

Deputy members



Jari Elo
male, b. 1969
M.Sc. (Econ.)
CEO, Suomen Ekonomit ry (The Finnish Business School Graduates)
Member since 2023
Term expires in 2028



Jouni Hakala
male, b. 1961
LL.M., MBA
Secretary General
Foundation of the Confederation of Finnish Industry and Employers (TT-säätiö)
Confederation of Finnish Industries EK
Member since 2021
Term expires in 2028



Ville Talasmäki
male, b. 1975
M.Sc. (Econ.)
Group CIO, Sampo Group
Member since 2024
Term expires in 2028

New Board members as of 1 January 2026:



Else-Mai Kirvesniemi
female, b. 1972
LL.M.
Chairman, Finnish Confederation of Salaried Employees STTK
Member since 2026
Term expires in 2027

In 2025, 50 per cent of the members of the Board of Directors were female, and 50 per cent were male.

An up-to-date [list of the members of the Board of Directors](#) is available on Varma's website. [Board members' positions of trust](#) are presented on Varma's website.

The Board of Directors convened 11 times in 2025, and the average attendance rate of ordinary members was 96.2 per cent. When taking into account deputy members' attendance, the attendance rate was 100 per cent.

Composition and duties of the Board of Directors' committees

Audit Committee

The Audit Committee assists the Board of Directors in carrying out its oversight obligation and prepares for the Board matters belonging to the Audit Committee's tasks. Its main tasks are the supervision of internal company control, risk management, and financial and other reporting, as well as the monitoring of the work and observations of the auditors and the internal audit. The Committee does not have the power to make decisions independently. The Committee reports on its work and observations to the Board of Directors.

In 2025, the Audit Committee was composed of Teo Ottola (Chair), Anja Frada, Kristiina Mäkelä and Antti Palola. The Committee convened 8 times, and the attendance rate of the members was 100 per cent.

In 2026, Teo Ottola (Chair), Anja Frada, Else-Mai Kirvesniemi and Kristiina Mäkelä are members of the Audit Committee.

Nomination and Compensation Committee

The Nomination and Compensation Committee prepares nomination and compensation matters for the Board of Directors to decide on, such as Varma's remuneration schemes and the terms of the executive management's service and employment contracts. The proposals of the Committee are submitted to the Board of Directors for decision.

In 2025, the Nomination and Compensation Committee was composed of Jaakko Eskola (Chair), Anu Ahokas and Antti Palola. The Committee convened 6 times, and the attendance rate of the members was 100 per cent.

In 2026, the members of the Nomination and Compensation Committee are Jaakko Eskola (Chair), Anu Ahokas and Else-Mai Kirvesniemi.

President and CEO

The CEO takes care of the administration of Varma according to the regulations and instructions of the Board of Directors. The CEO sees to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner. It is the duty of the CEO to promote the interests of the company. The CEO manages the company in a professional manner, in accordance with sound and prudent business principles and sound governance principles. The CEO represents Varma in matters that fall within the sphere of tasks laid down in legislation.

Varma's President and CEO is Risto Murto. The CEO is assisted by Varma's Executive Group, which has, in addition to the CEO, nine management representatives and two staff representatives as members. The task of the Executive Group is to steer and develop Varma's operations so that the strategic objectives approved by the company's Board of Directors are met. Decisions on the salaries and benefits of the CEO and the other members of the Executive Group are made by the

Board of Directors. Information on these is presented in a [separate statement on remuneration at Varma](#).

The President and CEO's new representation in a Board of Directors or a Supervisory Board is decided by the Chair of the Board of Directors. The Chair of the Board of Directors decides on an Executive Group member's new representation in the board of directors or supervisory board of an entity that is not Varma's subsidiary on the CEO's proposal. Varma's representation in the Board of Directors or Supervisory Board of a Varma subsidiary and representation in the earnings-related pension sector's co-operative bodies is decided by the CEO. When deciding on representation, the decision-maker assesses:

- whether the representation is, due to possible conflicts of interest, likely to undermine trust in the realisation of the independence requirements of an earnings-related pension company, which are highlighted in legislation;
- whether the representation will have adverse effects on the decision-making of Varma's investment operations;
- whether the representation will have other adverse effects on the person's work tasks at Varma.

The Investment Committee deals with major investment issues that are submitted to the CEO for decision. The members of the Committee are the CEO, the executive directors responsible for investment operations

and the executive director responsible for sustainability. The Committee prepares the investment proposals for the Board of Directors and makes decisions on matters in which it is authorised under the investment plan approved each year by the Board of Directors, and which have not been delegated to a lower level. The Committee also monitors investment risks.

Executive Group 31 December 2025



Risto Murto
President and CEO
male, b. 1963
Ph.D. (Econ.)
President and CEO since 2014
Member of the Executive Group since 2006
Joined Varma in 2006



Markus Aho
Chief Investment Officer
male, b. 1980
M.Sc. (Eng.)
Member of the Executive Group since 2022
Joined Varma in 2014



Pauli Forma
Director, Work Ability Services
male, b. 1970
Doctor of Political Science, Adjunct Professor,
Executive MBA
Member of the Executive Group since 2020
Joined Varma in 2019



Suvi Hintsanen-Kärpijoki
Senior Vice-President, Client Services
female, b. 1967
M.Sc. (Econ.)
Member of the Executive Group since 2019
Joined Varma in 2019



Tuula Kallio
Senior Vice-President, Legal Affairs
female, b. 1961
LL.M.
Member of the Executive Group since 2022
Joined Varma in 2018



Hanna Kaskela
Senior Vice President, Sustainability & Communications
female, b. 1979
M.Sc. (Econ.)
Member of the Executive Group since 2023
Joined Varma in 2003



Pasi Mustonen
Chief Actuary, Appointed Actuary, Senior Vice President, Actuaries and Insurance Services
male, b. 1964
M.Sc., FASF
Member of the Executive Group since 2004
Joined Varma in 1989



Pekka Pajamo
Senior Vice-President, Finance and Internal Services
male, b. 1962, M.Sc. (Econ.)
Member of the Executive Group since 2012
Joined Varma in 2012



Tarja Syvälä
Senior Vice-President, Pension and Insurance
Services
female, b. 1983
M.Sc. (Econ.)
Member of the Executive Group since 2025
Joined Varma in 2008



Hanna Vainio
Senior Vice-President, IT and Digitalisation
female, b. 1980
M.Sc. (Econ.)
Member of the Executive Group since 2024
Joined Varma in 2024



Mikaela Öberg
Senior Vice President, People and
Development
female, b. 1979
M.A. (Educ.)
Member of the Executive Group since 2023
Joined Varma in 2023



Eeva Hautala
Pension Adjudication Specialist
female, b. 1963
B.Soc.Serv.
Employee representative since 2016
Joined Varma in 2006



Lasse Lindholm
Account Manager
male, b. 1963
M.Sc. (Econ.)
Employee representative since 2024
Joined Varma in 1999
Term ended 31 December 2025

New member of the Executive Group as of 1 Jan 2026:



Hanna Peri
Development Manager, Work Ability Management
female, b. 1983
M.Sc. (Econ.)
Employee representative since 2026
Joined Varma in 2019

Medical Affairs and Consultant Physicians

Medical Affairs
Jan Schugk
Senior Physician
b. 1966, MD

Senior consultant physician
Kirsi Karvala

Consultant Physicians
Eriikka Bardy
Mervi Fearnley
Laura Häkkinen
Aki Karhunen
Kaisu Norbäck
Tiia Reho
Sami Riekk
Mika Saarela
Minna Sadeniemi
Sari Siivola

In 2025, 54 per cent of the members of the Executive Group were female, and 46 per cent were male. Pasi Mustonen is Varma's Chief Actuary. Jan Schugk is Varma's Senior Physician. [Executive Group members' positions of trust](#) are presented on Varma's website.

Internal control and risk management

Varma's Board of Directors decides on the content and organisation of internal company control and on the implementation of the internal control sectors and principles, approves both the joint guidelines for the internal control and the risk-management plan, and decides on compliance operations. Internal control is part of the normal management of the company, good governance, and daily operations. The Board of Directors makes an annual assessment of whether the company's internal control is appropriately organised.

Risk management is an element of internal control and involves the identification, measurement, observation, monitoring, and reporting of risks arising from and closely connected with the company's business operations. Internal control is a management tool that helps the company to function efficiently, economically, and reliably.

The Compliance function is an element of internal control. Its task is to ensure that decrees, official regulations, the decisions of governance bodies, and internal guidelines are complied with. The activities are risk-based and focus on information flow, advising, drawing up instructions and organising training. The Compliance Officer reports directly to the President and CEO.

The President and CEO is in charge of the day-to-day administration of the company according to the instructions and orders given by the Board. The CEO sees to it that the

accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner, and monitors risks in accordance with the principles established in risk management, and investment plans, and other plans.

The heads of functions and other supervisors are responsible for organising internal control, risk management, the compliance function, and good governance in their areas of responsibility as part of normal operational management. The Chief Financial Officer is responsible for the independent monitoring of investment positions and risks, and for overseeing operative risks. The Financial Administration coordinates the identification and management of operational risks in different functions and draws up a summary of the risk assessments drawn up by the functions. As regards investments, the Financial Administration monitors compliance with the risk limits, authorisations, and allocations. Monitoring ensures that the decisions of the investment organisation and the President and CEO adhere to the framework of the investment plan.

The tasks of the independent investment risk management within the actuarial function include the identification of the risks contained in the investments, measurement of risk levels and reporting on these. The company's actuary must prepare a statement for the company's Board of Directors on the requirements imposed by the nature of technical provisions on Varma's investment operations and risk management. The actuary must also

provide a written statement on whether the investment plan meets the aforementioned requirements.

Insider administration

Varma follows insider guidelines approved by the Board of Directors. The purpose of the guidelines is to promote the public reliability of the company's investment operations and ensure personnel's knowledge of insider regulations, so that they are not unintentionally violated. Varma has, pursuant to the Act on Earnings-Related Pension Insurance Companies, a public insider register in place. Varma also maintains a non-public insider register in order to improve the management of insider information and monitoring of the personnel's trading.

Varma's legal affairs upholds the insider registers and is in charge of training and consultation on insider matters, as well as for monitoring insiders' trading.

The [public insider register](#) can be accessed through Euroclear Finland's NetSire service. The Compliance Officer monitors compliance with legislation and guidelines in insider matters.

Related party transactions

Varma's related parties include the members of the Supervisory Board and the Board of Directors, the President and CEO, other members of the Executive Group, the Chief Auditor, and the spouses and wards, and entities and foundations under the control of the aforementioned persons.

Transactions carried out with the related parties are handled in accordance with the related party guidelines such that Varma's Board of Directors decides on major business transactions in cases which involve a related party. [Related party transactions](#) are reported on Varma's website. There were no related party transactions during the 2025 calendar year.

Internal audit

Varma's internal audit operates in accordance with the principles laid down in the professional internal auditing standards. It comprises independent and objective assessment, assurance, and consulting activities whose purpose is to support the organisation in achieving its goals by producing assessments and development proposals concerning the status of risk management, and other internal controls.

The organisational status, tasks, responsibilities and powers of the internal audit are laid down in the instructions approved by the Board of Directors. The areas to be audited are set out in an annual audit plan, which is approved by the Board of Directors after it has been discussed by the Executive Group and the Audit Committee. The audit observations are reported to the company management, the Audit Committee and the Board of Directors.

The internal audit is administratively subordinate to the CEO.

Main features of the internal control and risk management systems connected with the financial reporting process

Varma's financial reporting is governed by the Act on Earnings-Related Pension Insurance Companies, the Insurance Companies Act, the Limited Liability Companies Act, the Act on the Calculation of the Pension Provider's Solvency Border and the Diversification of Investments, the Accounting Act, the Ministry of Social Affairs and Health's decree on the financial statements and consolidated financial statements of insurance companies, the Accounting Decree, the actuarial principles approved by the Ministry of Social Affairs and Health and the regulations issued by the Financial Supervisory Authority.

Operational risks connected with Varma's financial reporting, including sustainability reporting, are assessed on a regular basis. The potential impacts and likelihood of identified risks are assessed on a risk-specific basis.

The contents of the financial reporting presented to the Board of Directors are laid down in the Board of Directors' charter. All financial reporting to the Board of Directors, company management and the authorities is carried out by Varma's Financial Administration independently of the function to be reported on. The company's result and solvency position are calculated daily.

The Board of Directors receives regular reports on, among other things, the total result, the balance sheet, and the income

statement at fair value, sales result, solvency position, details of investments classified according to risk, investment returns, derivative and foreign currency positions, and risk concentrations. Financial Administration also provides reports on the monitoring of risk limits laid down in the investment plan and on the use of authorisations, and carries out controls on the valuation of investments. In addition to the above, Investment Operations also submits reports on its activities to the Board of Directors.

Adherence to authorisations and allocation, and investment assignments are monitored on a daily basis.

The actuarial function sees to it that the insurance contributions and the technical provisions are calculated in accordance with legislation and the actuarial principles, and according to the regulations issued by the Ministry of Social Affairs and Health and the Financial Supervisory Authority.

The division of responsibility between earnings-related pension companies is handled via the Finnish Centre for Pensions each year. In addition to the information required under the provisions, Varma also reports on its financial performance on a quarterly basis. In order to increase transparency, Varma publishes its balance sheet and income statement at fair value and its investments and their returns, grouped in accordance with risks.

From the point of view of Varma's financial reporting, the most important elements are the valuation of the investments, the

investment return at fair value, the interest credited on technical provisions, and the company's solvency capital in relation to the solvency limit, which in turn is determined on the basis of the risks involved in each investment (solvency classification). The risk-bearing capacity of the investment operations is determined on the basis of the solvency indicators.

The tasks of the investment risk management within the actuarial function, which is independent of the risk-taking operations, include the identification of the risks contained in the investments, measurement of risk levels and reporting.

As regards the calculation of the solvency limit, the Board of Directors decides on the criteria concerning how the risks of indirect investments are taken into account, the criteria for using derivative contracts, the criteria for applying other essential investment risks, i.e. the risk category 18, in accordance with the guidelines on solvency calculation, and the criteria for calculating the duration of investments exposed to interest and credit margin risk. The Board monitors the up-to-dateness and application of the principles.

The company has drawn up detailed work descriptions and instructions for financial reporting. The reliability of financial reporting is supported by the principle that the company's business accounting is always periodised and kept up to date at fair value and that the figures contained in it match the investment category ledger systems used as ledgers and the data warehouse used in reporting.

Calculations of the technical provisions are made each year. The calculations of the technical provisions during the year are made using pension-insurance register information and insurance technique analyses. Insurance risks are analysed using, for example, a risk assumption analysis (mortality, disability intensity), financial statements and business result analyses (insurance technique, distribution of responsibility) and, e.g. when compiling statistics on contribution losses and disability pension expenditure.

Auditing

In accordance with Varma's Articles of Association, the General Meeting elects one Auditor and, unless the Auditor is an audit company, a Deputy Auditor.

In accordance with Varma's Articles of Association, the 2025 General Meeting elected one Auditor, which is an audit company, for the Company. The Auditor was also elected as the sustainability reporting assurer.

The Auditors' term ends at the end of the next Annual General Meeting following their election.

Under the legislation in force concerning auditing, the Auditors' duty is to audit Varma's accounting records, Financial Statements, Consolidated Financial Statements, and governance. Auditing shall be carried out in accordance with good auditing practice.

The Auditor reports on its work, observations and conclusions in the Auditors' Report addressed to the Annual General Meeting.

In addition to this, the Auditor reports on its observations concerning internal control, financial reporting and other auditing measures to the Board of Directors' Audit Committee, to the Board of Directors, to the Supervisory Board, to executive management and to the supervisory authority.

The Auditor provides the Board of Directors annually with written confirmation of its independence, required under the legislation in force.

The Company's Board of Directors assesses the independence of the Auditor each year.

In accordance with the decision made by the Annual General Meeting on 11 March 2025, Ernst & Young Oy, with Authorised Public Accountant Kristina Sandin (KHT, KRT) as chief auditor and key sustainability partner, served as Varma's auditor and sustainability reporting assurer during the financial year 2025.

Remuneration paid to the Auditor for statutory auditing in 2025 amounted to EUR 347,484, of which EUR 91,264 was for sustainability reporting assurance. Remuneration paid to Ernst & Young Oy for expert services other than those related to auditing totalled EUR 18,700 in 2025.

Statement on remuneration at Varma

This statement describes Varma's valid remuneration principles and, as part of it, the remuneration policy for the CEO, other executives, and personnel.

This statement can also be viewed on Varma's website, and it is based on the situation on 31 December 2025. The statement is based on the Finnish Act on Earnings-Related Pension Insurance Companies and the Financial Supervisory Authority's guidelines on the basis of the act. Varma also complies with the provisions of the Finnish Corporate Governance Code as applicable to earnings-related pension insurance companies. These provisions, which are legally binding on listed companies, serve as recommendations for earnings-related pension companies.

1 Remuneration principles

The starting point for remuneration is Varma's purpose as a provider of statutory earnings-related pension insurance and manager of pension assets as part of social security, securing the benefits of those insured with Varma, Varma's long-term interests and the achievement of strategic targets.

The main principles steering remuneration are:

1. All remuneration is based on performance, equality, and competitiveness.

2. The aim is to reward the achievement of concrete results in implementing the company's strategy, reaching targets and managing Varma's statutory task.
3. Remuneration takes into account excellent performance and encourages behaviour that is in accordance with Varma's values.
4. The goals and rewards in the remuneration schemes are in balance with long-term value creation and the achievement of short-term targets, and in harmony with risk management.
5. Remuneration within the company is competitive in the relevant markets.
6. Through remuneration, the goal is to ensure that Varma as an employer engages its employees and attracts skilled and motivated experts.
7. These remuneration principles apply equally to all Varma employees, including executive management.
8. To ensure independence, individuals carrying out internal audit and Compliance Officer tasks are not covered by any remuneration scheme.

2 Decision-making process

The Board of Directors approves Varma's remuneration principles and, as part of it, the remuneration policy, and follows and monitors its implementation on the basis

of preparatory work carried out by the Nomination and Compensation Committee. Decision making concerning the company's remuneration follows principles that aim to ensure the prevention and control of conflicts of interest. The basic principle is that the executive body that elects a given executive body also decides on the remuneration of the executive body in question. The purpose of this principle is to ensure fair and equal decisions. When determining remuneration, external consultants are used as needed.

The terms of four members of the Board of Directors expire each year. The Board will select a chair and two deputy chairs from among its members. There are no members of Varma's Executive Group in the Board of Directors. None of the Board members had an employment relationship with or held a position at Varma in 2025 or in the two years prior to that, nor do any of them receive compensation from Varma for services rendered or other advice not connected with the duties of the Board.

Members of the Board of Directors and the companies under their control do not have equity holdings or equity-based rights in Varma's Group companies. Information on the remuneration paid to the Board of Directors is presented in the [statement on remuneration](#).

Decision-making process for remuneration

Annual General Meeting

- decides on the remuneration of the members of the Supervisory Board.

Supervisory Board

- decides on the remuneration of the members of the Board of Directors and its committees.

Election Committee

- prepares annually a proposal for the Annual General Meeting concerning the remuneration of the members of the Supervisory Board and prepares annually a proposal for the Supervisory Board concerning the remuneration of the members of the Board of Directors.

Board of Directors

- approves Varma's remuneration principles and, as part of it, the remuneration policy, and follows and monitors its implementation on the basis of preparatory work carried out by the Nomination and Compensation Committee;
- decides on all of Varma's remuneration schemes and the related targets on the basis of preparatory work carried out by the Nomination and Compensation Committee; and
- decides on the remuneration of the President and CEO and those who report directly to the President and CEO on the basis of the preparatory work carried out by the Nomination and Compensation Committee.

The Board's Nomination and Compensation Committee

- prepares for the Board of Directors matters related to remuneration, the remuneration principles and the remuneration policy;
- prepares all of Varma's remuneration schemes; and
- prepares the remuneration principles, salaries and other areas of remuneration of the President and CEO and of those who report directly to the President and CEO.

President and CEO

- participates in the meetings of the Nomination and Compensation Committee, except when the terms of employment and remuneration of the CEO are discussed;
- monitors, in accordance with their role, that the remuneration schemes are followed and applied in accordance with the principles approved by the Board of Directors, and decides on personnel's salaries, with the exception of persons reporting directly to them.

2.1 Annual General Meeting

- decides on the remuneration of the members of the Supervisory Board.

2.2 Supervisory Board

- decides on the remuneration of the members of the Board of Directors and its committees.

2.3 Election Committee

- prepares annually a proposal for the Annual General Meeting concerning the remuneration of the members of the Supervisory Board; and
- prepares annually a proposal for the Supervisory Board concerning the remuneration of the members of the Board of Directors.

2.4 Board of Directors

- approves Varma's remuneration principles and, as part of it, the remuneration policy, and follows and monitors its implementation on the basis of preparatory work carried out by the Nomination and Compensation Committee;
- decides on all of Varma's remuneration schemes and the related targets on the basis of preparatory work carried out by the Nomination and Compensation Committee; and
- decides on the pay and remuneration of the President and CEO and those who report directly to the President and CEO on the basis of the preparatory work carried out by the Nomination and Compensation Committee.

2.5 The Board's Nomination and Compensation Committee

- prepares for the Board of Directors matters related to remuneration, the remuneration principles, and the remuneration policy;
- prepares all of Varma's remuneration schemes, and
- prepares the remuneration principles, salaries and other areas of remuneration of the President and CEO and of those who report directly to the President and CEO.

2.6 President and CEO

- participates in the meetings of the Nomination and Compensation Committee, except when the terms of employment and remuneration of the CEO are discussed;
- monitors, in accordance with their role, that the remuneration schemes are followed and applied pursuant to the principles approved by the Board of Directors; and
- decides on personnel's salaries, with the exception of persons reporting directly to them.

3 Description of remuneration of the Supervisory Board and Board of Directors

Supervisory Board

The Annual General Meeting decides on the remuneration of the members of the Supervisory Board on the basis of the Election Committee's preparation.

The remuneration consists of an annual remuneration and meeting fees. The chair and

deputy chairs of the Supervisory Board are paid a higher annual remuneration than members. Meeting fees are paid for the meetings of Supervisory Board, Election Committee, and the Supervisory Board's supervisory function. Members of the Supervisory Board are insured under Section 8 of the Employees Pensions Act TyEL, and a TyEL contribution is paid on the meeting fee. Compensation for travel and accommodation costs and daily allowance are paid in the maximum amounts specified in the Tax Administration guidelines.

Board of Directors

The Supervisory Board decides on the remuneration of the members of the Board of Directors and its committees on the basis of the Election Committee's preparation.

The remuneration consists of an annual remuneration and meeting fees. The chair and deputy chairs of the Board of Directors and the chair of the Audit Committee are paid a higher annual remuneration than members. The deputy members of the Board of Directors receive a lower annual remuneration than members. Meeting fees are paid for the meetings of the Board of Directors and the Board of Directors' committees, for the separate meetings of the presiding officers, and for the meetings of the Election Committee and the Supervisory Board's supervisory function. A fee is also paid for participation in the Supervisory Board's meetings. Members of the Board of Directors are insured under Section 8 of the Employees Pensions Act TyEL, and a TyEL contribution is paid on the meeting

fee. Compensation for travel and accommodation costs and daily allowance are paid in the maximum amounts specified in the Tax Administration guidelines.

4 Remuneration policy

4.1 Remuneration of the President and CEO

- The Board of Directors appoints the President and CEO and decides on their remuneration and the terms of their executive employment contract.

- At Varma, the starting point for the President and CEO's remuneration is that the remuneration be aligned with the interests of the CEO and of the company.
- Varma employs different remuneration components to attract, motivate and engage to the task a person who has excellent knowledge of the earnings-related pension insurance business, investment activities, and business management, as required by legislation.
- The remuneration level correlates with the level of performance, which promotes

Remuneration of the President and CEO	
Basic salary	<ul style="list-style-type: none"> • Based on the demands, responsibilities, experience and performance related to the task. • A lunch benefit is paid on top of regular salary.
Other benefits	<ul style="list-style-type: none"> • Possibility for a phone benefit • Possibility for a car benefit (tax value included in the fixed monthly salary) • Possibility for health insurance • Possibility for group life insurance • Funeral grant • Other benefits for all personnel
Performance-based remuneration	<ul style="list-style-type: none"> • The President and CEO is included in the remuneration schemes for key persons and Investment Operations, and their maximum performance pay is equal to 12 months' salary. Seven months of the remuneration are tied to the targets of the key persons' scheme, and five months to the targets of the Investment Operations' scheme. • A share of remuneration that corresponds to no more than six months' salary is paid within approximately one month following the granting of the remuneration, and the remainder within three years in a maximum of three instalments. Each instalment corresponds to a minimum of one month's salary. • The Board of Directors has the right to change the amount of the performance pay or cancel or postpone its payment for a compelling reason.
Supplementary pension	<ul style="list-style-type: none"> • Defined-contribution supplementary pension

sustainable financial performance and focus on Varma's targets and the implementation of its strategy.

- The structure and level of the remuneration must be in line with the sector's reference values, and the remuneration must be competitive. A substantial part of the remuneration is based on performance. In order to assess the level of the CEO's overall remuneration, the Nomination and Compensation Committee compares it with the remuneration level of corresponding operators in the financial and employment pension sectors. The reference salaries are for informational purposes, and the CEO's salary is not directly determined on the basis of them. Other factors taken into account include the person's responsibilities and experience, personal performance, and Varma's financial performance.
- The President and CEO has a period of notice of six months and is entitled to severance pay equal to six months' salary.

4.2 Remuneration of Executive Group members

- The Board of Directors decides on the remuneration and other terms of employment of the members of Varma's Executive Group.
- At Varma, the starting point for the remuneration of the Executive Group is that the remuneration must be aligned with the interests of the Executive Group members and the company.

Remuneration of Executive Group members	
Basic salary	<ul style="list-style-type: none"> • Based on the demands, responsibilities, experience and performance related to the task. • A lunch benefit is paid on top of regular salary.
Other benefits	<ul style="list-style-type: none"> • Possibility for a phone benefit • Possibility for a car benefit (tax value included in the fixed monthly salary) • Possibility for health insurance • Possibility for group life insurance • Funeral grant for those employed before 2014 • Other benefits for all personnel
Performance-based remuneration	<ul style="list-style-type: none"> • The Chief Investment Officer is included in the remuneration scheme for Investment Operations. Their maximum performance pay is equal to 12 months' salary. A share of remuneration that corresponds to no more than six months' salary is paid within approximately one month following the granting of the remuneration, and the remainder within three years in a maximum of three instalments. Each instalment corresponds to a minimum of one month's salary. Any share to be paid in instalments must equal at least one month's salary. • The Senior Vice-President of Sustainability & Communications is covered by both the remuneration scheme for Investment Operations and the remuneration scheme for key persons. The maximum bonus is an amount equal to 2.25 months' salary in the key persons' scheme and an amount equal to 6 months' salary in the Investment Operations' scheme. • Other Executive Group members belong to the key persons' scheme. Their maximum performance pay is equal to 6.5 months' salary. • For weighty reasons, the Board of Directors has the right to change the amount of the performance pay or cancel or postpone its payment.
Supplementary pension	<ul style="list-style-type: none"> • Defined-contribution supplementary pension for those employed before 2019.

- Varma employs different remuneration components to attract, motivate and engage to the task a person who has the required skills, abilities, and competence.
- The remuneration level correlates with the level of performance, which promotes sustainable financial performance and focus on Varma's targets and the implementation of its strategy.
- The structure and level of the remuneration must be in line with the sector's reference values, and the remuneration must be competitive. A substantial part of the remuneration is based on performance.
- In order to assess the level of the Executive Group members' overall remuneration, the Nomination and Compensation Committee compares it with the remuneration level

of corresponding Finnish operators. The reference salaries are for informational purposes, and the CEO's salary is not directly determined on the basis of them. Other factors taken into account include the person's responsibilities and experience, personal performance, and Varma's financial performance.

4.3 Personnel's remuneration

At Varma, job grading and personal performance are used as the basis for determining the remuneration level of all personnel, including executive management. Job grades are based on the requirements and responsibilities of the role, which enables a consistent and competitive salary level to be specified both internally and in relation to external markets. In addition to the job requirements, salaries and their development are influenced by personal performance,

The principles and implementation of personnel's salaries and remuneration are described in more detail in the separate remuneration policy.

4.4 Varma's remuneration schemes in 2025

Varma has three performance-based remuneration schemes in use:

- remuneration scheme for key persons
- remuneration scheme for Investment Operations
- remuneration scheme for personnel.

Every Varma employee, with the exception of those with internal audit and Compliance Officer duties, is covered by performance-based remuneration and included in one of Varma's three remuneration schemes.

Every Varma employee also has the opportunity to receive a one-time reward if they meet separately defined criteria.

Key principles of the remuneration schemes:

- For all remuneration schemes, the targets and indicators are based on the company's strategy-based financial performance and its supporting measures.
- The remuneration schemes support Varma's long-term objectives, which include solvency development and operating cost efficiency.
- The indicators reflect especially the efficient implementation of the pension system, solvency, and sustainability of operations as part of the implementation of social security.
- The remuneration schemes are planned to prevent unhealthy risk-taking. The schemes have pre-defined maximum amounts of remuneration. The Board of Directors has the right to discontinue the schemes before the end of the period if the company's economic position is jeopardised.
- The remuneration indicators are the same for the company-level targets of the personnel's remuneration scheme and the remuneration scheme for key persons.

- The extent to which the objectives set for the remuneration schemes are achieved determines how large a part of the maximum sum is realised and paid.
- Performance-based remuneration in relation to overall remuneration is determined on the basis of the role or job grading of each Varma employee.
- As the role's responsibilities and direct impact on financial performance increase, the proportion of performance-based remuneration and maximum remuneration increase.
- The Board of Directors decides on the payment of performance pay annually after the end of the remuneration period. Decisions on remuneration are made according to the 'one-over-one' principle.
- Compliance with the norms regulating the activities is also considered when making remuneration decisions. Performance-based remuneration is not paid, or it may be recovered as an unjustified benefit, if it is discovered that the person in question has behaved contrary to Varma's internal guidelines or ethical principles, legislation or official regulations or guidelines.

Remuneration schemes	
President and CEO	<ul style="list-style-type: none"> • The President and CEO is included in the remuneration schemes for key persons and Investment Operations, and their maximum performance pay is equal to 12 months' salary. • Seven months of the remuneration are tied to the targets of the key persons' scheme, and five months to the targets of the Investment Operations' scheme. • The remuneration of the President and CEO is described in more detail under 4.1., and more detailed descriptions of the schemes is provided below.
Remuneration scheme for key persons	<ul style="list-style-type: none"> • In the remuneration scheme for key persons, common target setting is emphasised by setting the remuneration scheme's maximum remuneration according to the realisation of the company's targets. • At the beginning of each year, the Board of Directors identifies the persons covered by the scheme, i.e. the remuneration pools, as well as their maximum remuneration and the scheme criteria and principles. • The scheme for key persons is composed of Executive Group members and middle management supervisors. • The maximum amount of remuneration paid out from the remuneration pool is based on the realisation of targets, the number of key persons, monthly salaries and maximum remuneration months. • The individual remuneration level is based on the achievement of the targets in the area under the key person's responsibility as well as personal performance.
Remuneration scheme for Investment Operations	<ul style="list-style-type: none"> • The aim of the Board-approved remuneration scheme for Investment Operations is to benefit from added value that is created by the development of Varma's solvency and the return on Varma's investments developing better than the benchmark indices and, in the long term, better than a benchmark group comprised of Varma's competitors, and the development sustainability in accordance with Varma's targets. The measurement of the sustainability target began in 2023. • The scheme involves a pool model similar to the key persons' scheme. • The individual remuneration level is based on the achievement of the targets in the area of responsibility as well as personal performance. • The remuneration scheme for Investment Operations includes all employees working in Investment Operations and, since the 1 June 2023 organisational change, also the sustainability department specialists. The remuneration of the CEO and senior vice president of sustainability and communications is also partially determined by this scheme. • Personal maximum remuneration corresponds to a maximum of 12 months' salary and a minimum of one month's salary. • A share of remuneration that corresponds to no more than six months' salary is paid within approximately one month following the granting of the remuneration, and the remainder within three years in a maximum of three instalments. Each instalment corresponds to a minimum of one month's salary.
Remuneration scheme for personnel	<ul style="list-style-type: none"> • The remuneration scheme for personnel covers all Varma employees who do not belong to other remuneration schemes. • Maximum remuneration equals 1–3.5 months' salary. • The review period for the remuneration scheme is one calendar year, and it involves company-level and department-level targets (target library). Those working in sales also have personal targets, and for some the measurement period regarding these targets is a quarter year. • The weighting of targets varies between personnel groups or job requirements. • The target library, i.e. function- and department-level targets and indicators, is decided by the Executive Group. Personal targets are approved by the director of the relevant function. The targets support the implementation of the strategy and aim for work performance above the basic level. • The actual outcomes for the indicators in the target library are confirmed by the Executive Group, and at the individual level by the head of the function.

5 Remuneration report 2025

5.1 Remuneration of Supervisory Board members

The Supervisory Board convened three times in 2025. The average attendance rate was 83.3 per cent.

- The annual remuneration of the Chair of the Supervisory Board is EUR 8,640, that of the Deputy Chairs is EUR 6,480 and other members' remuneration is EUR 4,320. In addition, the members of the Supervisory Board were paid a meeting fee of EUR 650.
- A meeting fee was also paid for meetings of the Election Committee and the Supervisory Board's supervisory function.

- Members of the Supervisory Board are insured under Section 8 of the Employees Pensions Act TyEL, and a TyEL contribution is paid on the meeting fee.

5.2 Remuneration of the members of the Board of Directors

- The Board of Directors convened 11 times in 2025, and the average attendance rate of ordinary members was 96.2 per cent. When taking into account deputy members' attendance, the attendance rate was 100 per cent.
- The annual remuneration of the Chair of the Board of Directors is EUR 51,140, that of the Deputy Chairs and the Chair of the Audit Committee EUR 36,370, that of the members

EUR 20,460 and that of the deputy members EUR 14,770. In addition, all members and deputy members of the Board of Directors were paid a meeting fee of EUR 650.

- The meeting fee was also paid for participation in the meetings of the Board of Directors' committees, the separate meetings of the presiding officers of the Board of Directors, the meetings of the Election Committee, the meetings of the Supervisory Board's supervisory function, and the Supervisory Board's meetings.
- Members of the Board of Directors are insured under Section 8 of the Employees Pensions Act TyEL, and a TyEL contribution is paid on the meeting fee.

- In its meeting on 26 November 2025, the Supervisory Board decided to raise the Board of Directors' fees by around 2 per cent in 2026. In 2026, the annual remunerations will be: EUR 52,140 for the Chair of the Board, EUR 37,090 for the Deputy Chairs and for the Chair of the Audit Committee, EUR 20,860 for the members, and EUR 15,060 for the deputy members. A meeting fee of EUR 660 per meeting will also be paid to participants.

Supervisory Board	
Meetings in 2025	<ul style="list-style-type: none"> • The Supervisory Board convened three times. The average attendance rate was 83.3%.
Annual remuneration	<ul style="list-style-type: none"> • Chair: EUR 8,640 • Deputy Chair: EUR 6,480 • Other members: EUR 4,320
Meeting fees	<ul style="list-style-type: none"> • In addition, the members of the Supervisory Board were paid a meeting fee of EUR 650. • The meeting fees were raised at the Annual General Meeting on 11 March 2025. The meeting fee for the first Supervisory Board meeting on 26 February 2025 was EUR 640. • A meeting fee was also paid for meetings of the Election Committee and the Supervisory Board's supervisory function.
TyEL earnings	<ul style="list-style-type: none"> • Members of the Supervisory Board are insured under Section 8 of the Employees Pensions Act TyEL, and a TyEL contribution is paid on the meeting fee.

Board of Directors	
Meetings in 2025	<ul style="list-style-type: none"> • The Board of Directors convened 11 times in 2025, and the attendance rate was 96.2%. When taking into account deputy members' attendance, the attendance rate was 100%.
Annual remuneration	<ul style="list-style-type: none"> • Chair: EUR 51,140 • Deputy Chair: EUR 36,370 • Chair of the Audit Committee: EUR 36,370 • Other members: EUR 20,460 • Deputy members: EUR 14,770
Meeting fees	<ul style="list-style-type: none"> • A meeting fee of EUR 650 per meeting was also paid to the members of the Board of Directors. • The meeting fee was paid for participation in the meetings of the Board of Directors' committees, the separate meetings of the presiding officers of the Board of Directors, the meetings of the Supervisory Board's supervisory function, and the Supervisory Board's meetings. • Members of the Board of Directors are insured under Section 8 of the Employees Pensions Act TyEL, and a TyEL contribution is paid on the meeting fee.

Varma's Supervisory Board 2025 – attendance and remuneration

Name	Supervisory Board meetings, attendance	Election Committee	Supervisory Board's supervisory function	Annual remuneration, €	Meeting and Committee remuneration, €	Total, €
Chair						
Christoph Vitzthum	3/3	2/2	2/2	8,640	4,530	13,170
Deputy Chairs						
Päivi Leiwo	2/3		2/2	6,480	2,590	9,070
Petri Vanhala	2/3	1/2	1/2	6,480	2,580	9,060
Members						
Juri Aaltonen	3/3		2/2	4,320	3,240	7,560
Ari Akseli	2/3			4,320	1,300	5,620
Eero Broman	2/3			4,320	1,290	5,610
Petri Castrén	3/3			4,320	1,940	6,260
Kim Forsström	2/3			4,320	1,290	5,610
Lasse Heinonen	3/3			4,320	1,940	6,260
Marko Hovinmäki	3/3		2/2	4,320	3,240	7,560
Mika Joukio	3/3			4,320	1,940	6,260
Janne-Olli Järvenpää	0/3			4,320	-	4,320
Jukka Jäämaa	2/3			4,320	1,290	5,610
Risto Kalliorinne	3/3			4,320	1,940	6,260
Anne Karjalainen	3/3			4,320	1,940	6,260
Ville Kopra	3/3			4,320	1,940	6,260
Tapio Korpeinen	2/3			4,320	1,290	5,610
Jari Korpela (as of 11 March 2025)	2/2			3,240	1,300	4,540
Katariina Kravi	2/3		2/2	4,320	2,590	6,910
Pekka Kuusniemi	3/3			4,320	1,940	6,260
Hanna Lylander (as of 11 March 2025)	2/2			3,240	1,300	4,540
Elisa Markula	1/3			4,320	650	4,970
Maria Mäkynen	3/3			4,320	1,940	6,260
Pasi Pesonen	3/3			4,320	1,940	6,260
Marko Piirainen	3/3			4,320	1,940	6,260
Perttu Puro	3/3			4,320	1,940	6,260
Simo Pöyhönen	3/3			4,320	1,940	6,260
Mika Rautiainen	3/3			4,320	1,940	6,260
Eeva Sipilä (until 11 March 2025)	1/1			1,080	640	1,720
Pekka Tiitinen	3/3			4,320	1,940	6,260
Tarja Tyni (as of 11 March 2025)	2/2			3,240	1,300	4,540
Jorma Vehviläinen	3/3		2/2	4,320	3,240	7,560
Anssi Vuorio	3/3			4,320	1,940	6,260

Varma's Board of Directors 2025 – attendance and remuneration

Name	Board of Directors' meetings, attendance	Nomination and Compensation Committee	Audit Committee	Election Committee	Supervisory Board's supervisory function	Supervisory Board	Annual remuneration, €	Meeting and Committee remuneration, €	Total, €
Chair									
Jaakko Eskola	11/11	6/6		2/2	2/2	3/3	51,140	15,600	66,740
Deputy Chairs									
Anu Ahokas	11/11	6/6		1/1	2/2	3/3	36,370	14,950	51,320
Antti Palola	11/11	6/6	8/8	2/2	2/2	3/3	36,370	20,800	57,170
Members									
Riku Aalto	11/11					2/3	20,460	8,450	28,910
Nina Arkilahti	11/11					3/3	20,460	9,100	29,560
Eveliina Dahl	10/11					3/3	20,460	8,450	28,910
Anja Frada	11/11		8/8			3/3	20,460	14,300	34,760
Kristiina Mäkelä	9/11		8/8			2/3	20,460	12,350	32,810
Simon-Erik Ollus	11/11					3/3	20,460	9,100	29,560
Teo Ottola	10/11		8/8			3/3	36,370	13,650	50,020
Pekka Piispanen	11/11			2/2		3/3	20,460	10,400	30,860
Saana Siekkinen	10/11					2/3	20,460	7,800	28,260
Deputy members									
Jari Elo	11/11					3/3	14,770	9,100	23,870
Jouni Hakala	11/11					3/3	14,770	9,100	23,870
Ville Talasmäki	10/11					3/3	14,770	8,450	23,220

5.3 Remuneration and other benefits of the President and CEO

President and CEO

President and CEO Risto Murto's remuneration and fringe benefits in 2025 amounted to EUR 626,740.41, his performance pay for 2024 was EUR 289,964.52, and his deferred performance pay for 2022 and 2023 was EUR 114,610.62, amounting to a total taxable income of EUR 1,031,315.55.

Under the remuneration scheme for key persons, Murto's maximum performance pay corresponds to 12 months' salary. Seven months of the remuneration are tied to the targets of the key persons' scheme, and five months to the targets of the Investment Operations' scheme.

President and CEO Risto Murto's fixed monthly salary is EUR 49,293.97 (EUR 48,327.42/month until 30 June 2025). The President and CEO does not have a company flat. The value of his company car benefit is EUR 865/month. The value of his mobile phone benefit was EUR 20/month, and the value of his lunch benefit was EUR 180.60/month. The tax value of his health insurance was EUR 114.26/month. The tax value of the car benefit is included in the fixed monthly salary. President and CEO Murto's retirement age is 65 years. Murto is included in the Executive Group's defined-contribution supplementary pension arrangement. Murto's supplementary pension contributions amounted to EUR 173,979 in 2025.

President and CEO	
Taxable income	<ul style="list-style-type: none"> In 2025, salary and fringe benefits totalled EUR 626,740.41 Total taxable income, including performance-based remuneration, in 2025 amounted to EUR 1,031,315.55
Fixed monthly salary	<ul style="list-style-type: none"> EUR 49,293.97/month (until 30 Jun 2025 EUR 48,327.42/month)
Benefits	<ul style="list-style-type: none"> Lunch benefit EUR 180.60/month Phone benefit EUR 20/month Car benefit EUR 865/month (included in the fixed monthly salary) Health insurance EUR 114.26/month No company flat
Performance-based remuneration	<ul style="list-style-type: none"> A total of EUR 209,400 for the 2024 scheme for key personnel (maximum performance pay equals 7 months' salary), of which EUR 171,812.64 was paid in 2025 and EUR 37,587.36 was deferred. A total of EUR 145,000 for the 2024 scheme for Investment Operations (max. performance pay equals 5 months' salary), of which EUR 118,151.88 was paid in 2025 and EUR 26,848.12 was deferred. Performance pay for 2024 totalled EUR 354,400, of which EUR 289,964.52 was paid in 2025 and EUR 64,435.48 was deferred. Deferred performance pay paid for 2022 amounted to EUR 67,230.80 and for 2023 EUR 47,379.82. The total amount of paid deferred performance pay was EUR 114,610.62. Total: The performance pay paid in 2025 amounted in total to EUR 404,575.14.
Supplementary pension	<ul style="list-style-type: none"> Included in the defined-contribution supplementary pension arrangement Supplementary pension contributions in 2025 totalled EUR 173,979
Retirement age	<ul style="list-style-type: none"> 65 years

5.4 Remuneration and other benefits of the members of the Executive Group

The composition of the Executive Group changed in 2025. Tarja Syväälä, Senior Vice-President of Pension and Insurance Services, started as a member of the Executive Group on 1 May 2025.

Members of the Executive Group are covered by the remuneration scheme for key persons as described above. The Chief Investment Officer is included in the remuneration scheme for Investment Operations. The Senior Vice-President of Sustainability & Communications is covered by both the remuneration scheme for Investment Operations and the remuneration scheme for key persons.

In 2025, the salaries, remuneration and fringe benefits of the members of the Executive Group (excluding the President and CEO) totalled EUR 2,812,894.03 (taxable income) and performance pay EUR 728,455.69 (for 2024 and deferred performance pay for 2021, 2022 and 2023).

The payments for the members of the Executive Group's defined-contribution supplementary pension agreements amounted to EUR 132,310 in 2025.

The members of the Executive Group do not have a company flat. The members of the Executive Group have the option of a company car benefit and health insurance benefit, and they have a mobile phone benefit and lunch benefit. The tax value of the car benefit is included in the fixed monthly salary.

Executive Group	
Taxable income (Executive Group total)	<ul style="list-style-type: none"> In 2025, salary and fringe benefits totalled EUR 2,084,438.34 Total taxable income, including performance-based remuneration, in 2025 amounted to EUR 2,812,894.03 (Tarja Syväälä started on 1 May 2025).
Benefits	<ul style="list-style-type: none"> Lunch benefit EUR 180.60/month Phone benefit EUR 20/month Car benefit (included in the fixed monthly salary) Health insurance No company flat
Performance-based remuneration	<ul style="list-style-type: none"> CIO included in the scheme for Investment Operations, max. remuneration 12 months The maximum remuneration of the Senior Vice-President of Sustainability & Communications is 2.25 months (key persons' scheme) and 6 months (Investment Operations' scheme) Other Executive Group members included in key persons' scheme, maximum remuneration 6.5 months Deferred performance pay: EUR 130,237.77 Total: EUR 728,455.69 (incl. deferred)
Supplementary pension	<ul style="list-style-type: none"> Those employed before 2019 are included in the defined-contribution supplementary pension arrangement Supplementary pension contributions in 2025 totalled EUR 132,310

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