



QPR Software plc

Remuneration Report 2024



INTRODUCTION

The reporting and transparency requirements for listed companies increased with the new EU Shareholder Rights Directive (SHRD) and the revised Finnish Corporate Governance Code 2020. QPR's Remuneration Policy was renewed to comply with these regulations, and it was approved in the Annual General Meeting in June 2020.

The goal of the Remuneration Policy is to define a framework for remuneration that supports achieving the Company's growth strategy, long-term financial success, and shareholder value creation. The Remuneration Policy also helps to recruit and retain competent executives and Board members to the Company.

This remuneration report presents the salaries and fees paid to the members of the board of directors and the CEO for the financial year 2024. The report follows the Corporate Governance Code 2020 and other applicable legislation. The fees paid and reported in 2024 comply with the company's remuneration policy, which was approved in 2020. In 2024, there were no deviations from the remuneration policy, nor was there any clawback of remuneration.

The 2024 Annual General Meeting approved the 2023 remuneration report. The 2024 remuneration report is in the same format as the 2023 report and will be published on the company's website at www.qpr.com/investors.

Principles and management of remuneration

Remuneration of board members is decided at the Annual General Meeting based on the proposal by the largest Shareholders. The Board decides on the compensation principles of top management and decides and approves the terms and conditions of the CEO's employment in writing. The Board annually approves the personnel incentive scheme. Whether shares, options, or other benefits entitling to shares can be offered as part of remuneration, the Board decides pursuant to the authority agreed upon in the Annual General Meeting.

According to the key principles of remuneration, remuneration must lead to competitive total remuneration, where variable pay components are aligned with the Company's strategy and shareholder value. The development of the Company and its long-term shareholder value must significantly impact remuneration.

The Remuneration Policy has been prepared to follow the remuneration principles applicable to all employees of QPR Software. This is reflected, for example, in the performance criteria of the bonus program, which are derived from the Company's strategy, and are in part common between the CEO and other employees. However, the variable components constitute a more significant portion of the CEO's total remuneration compared to the average remuneration of QPR Software's employees, since the Company aims for a particularly strong link between the CEO's remuneration and the Company's performance.



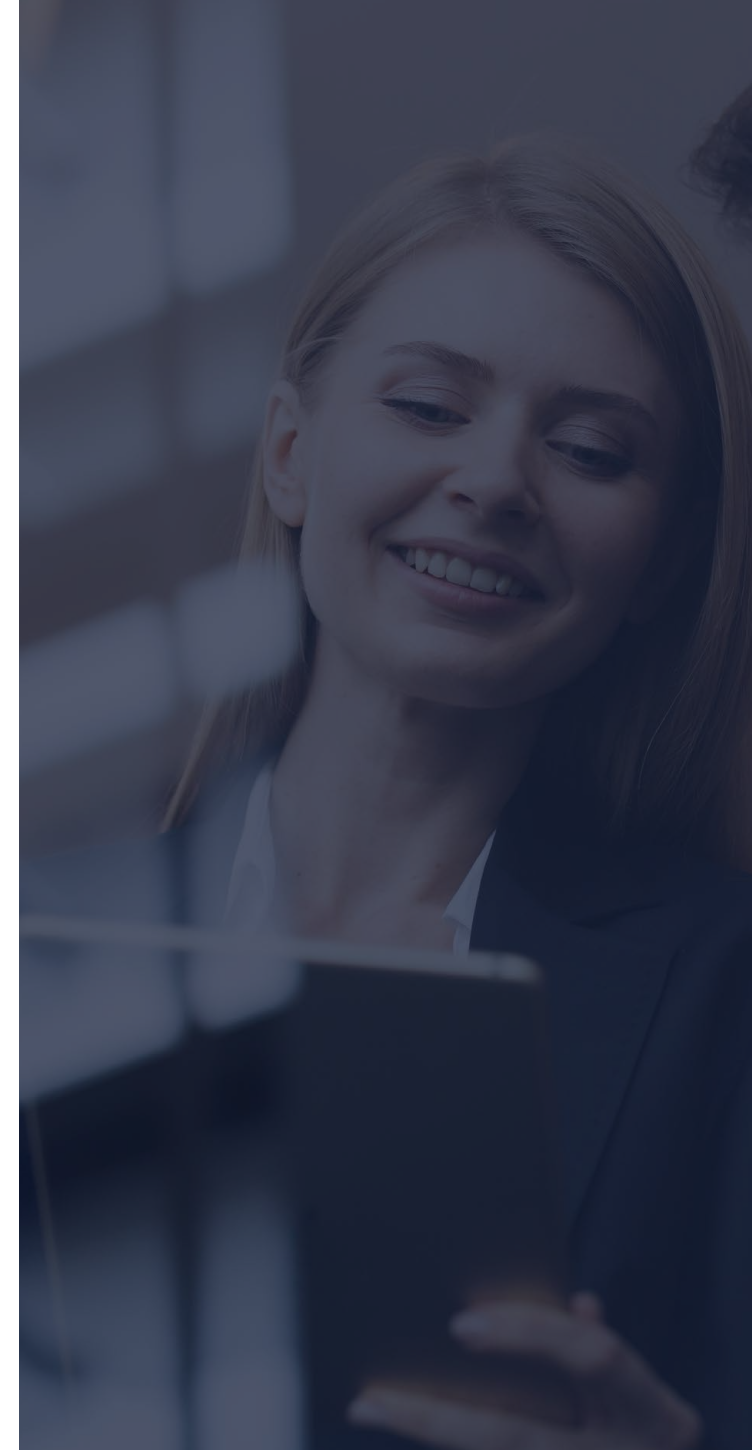
These principles have been adopted in remuneration decisions in 2024.

For incentive purposes, the Company has a bonus program that covers all employees. The short-term remuneration of top management consists of salary, fringe benefits, and a possible annual bonus based mainly on the development of the Group and business unit. Furthermore, the Company launched a key employee stock option plan in 2019.

The company's previous option program 2019 B had a subscription period from January 1, 2023, to January 31, 2024, and no shares were subscribed for under this program. In 2022, the board decided on the 2022 option program based on the authorization granted by the Annual General Meeting on April 6, 2022. In 2023, the board decided on the 2023 option program based on the authorization granted by the Annual General Meeting on May 3, 2023, and in 2024, the board will decide on the 2024 option program based on the authorization granted by the Annual General Meeting on May 15, 2024.

The table below shows how the remuneration paid to the members of the Board of Directors and the CEO has developed over the past five financial years, compared to the development of the average remuneration of employees and the company's financial development during the same period (2020–2024). In 2021 and in 2023, the company had two different CEOs.

EUR thousand	2024	2023	2022	2021	2020
Remuneration of BoD	120	120	113	89	76
% of net sales	1,8 %	1,6 %	1,4 %	1,0 %	0,8 %
Remuneration of CEO	204	208	228	251	182
% of net sales	3,1 %	2,8 %	2,9 %	2,8 %	2,0 %
Remuneration of employees, average	94	78	73	69	62
% of net sales	1,4 %	1,0 %	0,9 %	0,8 %	0,7 %
Staff remuneration total	2 928	4 390	5 823	5 546	5 301
% of net sales	44,3 %	58,1 %	74,4 %	60,7 %	59,1 %
Net sales	6 614	7 550	7 823	9 140	8 971
Growth of Net Sales, %	-12,4	-3,5 %	-14,4 %	1,9 %	-5,7 %
Number of employees, average	31	57	81	80	86
Change in number employees, %	-45,6 %	-29,6 %	1,3 %	-7,0 %	4,9 %



REMUNERATION IN 2024

The CEO's remuneration consisted of a fixed base salary, fringe benefits, and a performance-based bonus according to the principles approved annually by the company's Board of Directors, as well as stock option rights.

Top management's remuneration consisted of a fixed base salary, fringe benefits, a performance-based bonus according to the principles approved annually by the company's Board of Directors, as well as stock option rights.

For incentive purposes, the Company has a bonus program that covers all employees.

Remuneration of the Board of Directors in 2024

It was decided at the Annual General Meeting on May 15, 2024, that board members are paid an annual remuneration of EUR 25 000 (2023: 25 000) each and the Chairman of the Board EUR 45 000 (2023: 45 000). Approximately 40% of the fee is paid in shares and around 60% in cash, with the shares being transferred as soon as possible after the Annual General Meeting, subject to insider trading regulations. No separate meeting fees are paid.

The board members were paid an annual fee in accordance with the resolution of the Annual General Meeting during 2024. The table below thus differs from the fee table presented in the financial statements in accordance with accounting standards.

Total remuneration paid to Board members in 2024

EUR thousand	2024		
	Cash	Company shares	Total
Pertti Ervi, Chairman	27	18	45
Linda von Schantz	15	10	25
Antti Koskela	15	10	25
Jukka Tapaninen	15	10	25
Total	42	48	120

No retirement age has been set for the board members, nor have they been granted any retirement arrangements that deviate from the norm.

Remuneration of the CEO in 2024

The CEO's remuneration consisted of a salary, benefits, an annual performance bonus in accordance with the principles annually approved by the company's board of directors, and stock options.

The goal of the CEO's remuneration system was to drive the growth of the group's revenue, SaaS business, and profitability. In 2024, the performance bonus was set at 25% of the annual base salary when the key performance indicators defined in the performance bonus program were met. If the targets are exceeded, the performance bonus can increase up to a maximum of 37.5% of the annual base salary. Performance bonuses are paid annually. The basis for the remuneration system includes the growth of the group's SaaS business and the development of EBITDA. EBITDA is considered the payment basis for the performance bonus. The CEO will receive a performance bonus of €22,950 for the year 2024.

Annual remuneration paid to the CEO Heikki Veijola and Jussi Vasama

	Veijola	Veijola	Vasama
EUR thousand	2024	2023	2023
Salary, including fringe benefits	181	145	62
Extra pension and other benefits	-	-	-
Bonus payments	23	1	-
Total	204	146	62

The Company's Option Program for Key Employees and the CEO

Software has stock option programs for 2022, 2023, and 2024, which are used as part of the group's incentive and retention program for key employees and the CEO. The purpose of the stock options is to encourage key employees to work towards long-term value creation for shareholders and to retain key employees within the company. The stock options are granted free of charge.



The 2022 option program allows for the issuance of up to 489,542 options, the 2023 option program allows for up to 1,000,000 options, and the 2024 option program allows for up to 1,800,000 options. Each option entitles its holder to subscribe for one share. The 2022 option program is designated with the identifier 2022. The subscription period for shares under the stock options is from June 15, 2025, to May 31, 2027, and the subscription price is €0.85. As a result of share subscriptions made through the options, the company's number of shares may increase by a maximum of 489,542 shares if new shares are issued in the subscription.

The 2023 option program is designated with the identifier 2023. The subscription period for shares under the stock options is from September 6, 2026, to September 6, 2028, and the subscription price is €0.42. As a result of share subscriptions made through the options, the company's number of shares may increase by a maximum of 1,000,000 shares if new shares are issued in the subscription.

The 2024 option program is designated with the identifiers 2024 A, 2024 B, and 2024 C. For the 2024 A options, the subscription period for shares is from September 9, 2027, to September 8, 2029, with a subscription price of €0.59. For the 2024 B options, the subscription period for shares is from September 9, 2028, to September 8, 2030, and for the 2024 C options, the subscription period for shares is from September 9, 2029, to September 8, 2031. A total of 720,000 options will be designated with the identifier 2024 A, 540,000 options will be designated with the identifier 2024 B, and 540,000 options will be designated with the identifier 2024 C. The subscription price for shares under the 2024 B and 2024 C options will be based on the volume-weighted average price of the company's shares on Nasdaq Helsinki Oy, rounded to the nearest cent, after the board has decided on the allocation of the 2024 B options (tentatively scheduled to be decided on September 9, 2025) and the 2024 C options (tentatively scheduled to be decided on September 9, 2026), based on the ten (10) trading days following each decision.

The terms of the 2022, 2023, and 2024 stock options are available on the company's website at www.qpr.com/ investors and in the 2024 annual report.

Options granted to CEO	Option 2024	Option 2023	Option 2022
Heikki Veijola, CEO	122 400	200 000	97 908*

* Issued in 2023

