

Harvia Plc's Remuneration Report 2025

DEAR HARVIA SHAREHOLDER,

On behalf of Harvia Plc's Board of Directors, I am pleased to present the company's Remuneration Report for the financial year 2025. The Remuneration Report describes the remuneration of the company's Board of Directors and CEO in 2025 and how the company's remuneration policy has been implemented. The Remuneration Report 2025 has been drafted in accordance with the Finnish Corporate Governance Code 2025 of the Securities Market Association, and it will be presented at Harvia's Annual General Meeting 2026 for an advisory vote.

HARVIA'S KEY PRINCIPLES OF REMUNERATION

Harvia's remuneration policy outlines the key principles for the remuneration of the Board of Directors and the CEO. The Annual General Meeting approved the company's updated remuneration policy on 8 April 2025.

The long-standing key principles of remuneration at Harvia are transparency, market orientation, and rewarding good performance. The aim is to encourage and reward the company's Board of Directors and

CEO for operating in accordance with the company's strategy and values and to motivate them to strive for Harvia's success. The objective of remuneration is to promote the long-term profitable growth and competitiveness of the company and to ensure that Harvia is an attractive employer for competent management and the entire personnel.

2025: A YEAR OF GROWTH

Despite the uncertainty in the global economy, the year 2025 was a time of strong growth and stable profitability for Harvia: the company's revenue grew by 13.5% and the adjusted operating profit was 19.6% of revenue. Growth was particularly strong in North America and the APAC & MEA region, and the European markets also showed signs of recovery. Growing awareness of sauna's health benefits and the wellness trend supported the demand for Harvia's sauna solutions globally.

I would like to express my warmest thanks to Harvia's management and the entire staff for their excellent work in driving the company's profitable growth in 2025 and implementing strategic projects that support Harvia's future success.

REMUNERATION IN 2025

In the financial year 2025, the remuneration of Harvia's Board of Directors and CEO was compliant with the company's remuneration policy.

The Annual General Meeting 2025 resolved that approximately 40% of the monthly remuneration of the members of the Board of Directors is paid in company shares. In exceptional cases, the remuneration can be paid fully in cash. The remuneration to be paid to the members of the Board of Directors for the term 2025–2026 remained unchanged in accordance with the proposal of the Shareholders' Nomination Board.

In 2025, the remuneration of CEO Matias Järnefelt consisted of a monthly salary, a short-term performance bonus as well as a share-based long-term incentive program. Based on the short-term incentive scheme, the maximum bonus payable for the financial year 2025 can account for a maximum of 70% of the CEO's fixed annual salary. The performance outcome was 54%, and the criteria were related to Harvia's adjusted operating profit and personal targets. The performance criteria of

the 2023–2025 period of the long-term incentive scheme were the total shareholder return of Harvia's share, revenue growth, and reducing CO₂ emissions. The reward to be paid to CEO Järnefelt for the period is 8,032 shares, which is 58.1% of the maximum earning.

DEVELOPING REMUNERATION

We want Harvia's remuneration policy to reflect market expectations and support the competitiveness of the company's remuneration also in the future.

The Shareholders' Nomination Board annually submits its proposal to the Annual General Meeting concerning the remuneration of the Board of Directors and the development of the remuneration. For the Annual General Meeting 2026, the Nomination Board has proposed increases to the monthly remuneration and meeting fees of the members of the Board of Directors. The proposed increases are based on an analysis commissioned by the Nomination Board of the total remuneration of the members of the Boards of Directors at comparable Finnish listed companies. Regarding the remuneration of Harvia's management, the Board of Directors considers the promotion of the company's long-term success and strategic targets. The remuneration criteria related to growth, profitability, and sustainability will play a key role also going forward.

We will continue to develop our remuneration systems so that they support Harvia's growth and sustainability targets in an optimal way and help to generate value for all of Harvia's stakeholders.

Catharina Stackelberg-Hammarén

Chair of the Board of Directors
Chair of the Board's Personnel and
Remuneration Committee
Harvia Plc



Members of the Personnel and Remuneration Committee until 17 November 2025:

- Heiner Olbrich, Chair
- Olli Liitola
- Catharina Stackelberg-Hammarén

Members of the Personnel and Remuneration Committee from 17 November 2025:

- Catharina Stackelberg-Hammarén, Chair
- Anders Holmén
- Olli Liitola

INTRODUCTION

Harvia Plc's ("Harvia" or "the company") remuneration report for the year 2025 ("Remuneration Report") describes the remuneration of the company's Board of Directors and CEO in 2025 and how the company's remuneration policy has been implemented. Harvia adheres to the Finnish Corporate Governance Code 2025 of the Securities Market Association.

The Remuneration Report has been drafted in accordance with the Corporate Governance Code 2025 and other regulation. The Personnel and Remuneration Committee of Harvia's Board of Directors has reviewed the Remuneration Report and it has been approved by the Board. The company's auditor has reviewed that the report has been issued. The Remuneration Report will be presented at Harvia's Annual General Meeting 2026 for an advisory vote.

Harvia has a remuneration policy that outlines the principles for the remuneration of the Board of Directors, CEO and possible deputy CEO. In 2025, Harvia adhered to the Remuneration Policy 2024 until the Annual General Meeting 2025. The amended Remuneration Policy 2025 was presented to the Annual General Meeting, held on 8 April 2025, for an advisory vote. The Annual General Meeting resolved to adopt the Remuneration Policy 2025.

The main changes compared to the Remuneration Policy 2024 were:

- The expected regular level and maximum earning potential of the **short-term incentive scheme** as a percentage of fixed salary was included in the remuneration policy.
- The expected target level and maximum earning potential of the **long-term incentive scheme** as a percentage of fixed salary was included in the remuneration policy.
- The performance periods of the **long-term incentive scheme** were defined as minimum three financial years.
- The criteria for the **long- and short-term incentive schemes** were further specified and it was indicated that the majority of the remuneration criteria is to be based on financial indicators.
- Additionally, certain other minor specifications, updates and additions were made to the policy.

The Remuneration Report 2024 received a 'for' vote from a majority of shareholders in the Annual General Meeting 2025.

In 2025, the remuneration of the Board of Directors and CEO complied with the remuneration policy effective at the time when the decisions on such remuneration were made and there were no deviations. The remuneration of the Board of Directors or CEO were not clawed back or adjusted in the financial year 2025.

KEY REMUNERATION PRINCIPLES

According to the Remuneration Policy 2025, Harvia's remuneration principles apply to the entire personnel

of the company. Transparency and market-orientation and remuneration based on good performance are key principles in remuneration.

The objective of the company's remuneration policy is to encourage and reward management for work that is in line with the company's strategy at a given time and for compliance with the set rules, as well as to motivate them to strive for the success of the Company.

Well-functioning and competitive remuneration is an essential tool for engaging competent directors and executives. This, in turn, contributes to the financial success of the company and the implementation of good corporate governance. In addition to supporting the company's long-term profitability and competitiveness, remuneration supports the company's strategy.

Remuneration, in accordance with the Remuneration Policy 2025, consists of the following components:

- **Basic salary and other benefits**, which are in compliance with the local market practices, laws, and regulations.
- **Short-term incentive scheme**, which is meant to guide the performance of an individual and the organization as well as to support rapid implementation of strategic projects.
- **Long-term remuneration scheme**, which is meant for committing the CEO and other key persons to the company and harmonizing their interests with those of shareholders.

The CEO’s basic salary shall be aligned with the interest of the company and its shareholders. The basic salary shall be competitive in order to be able to induce and engage talented professionals to the company’s service.

The Personnel and Remuneration Committee assists the Board of Directors in monitoring and supervising the functionality of the remuneration policy, the competitiveness of remuneration and how the remuneration policy promotes the company’s and group’s long-term objectives. The Board of Directors proposes amendments to the remuneration policy to the Annual General Meeting on the recommendation of the Personnel and Remuneration Committee, if necessary. The remuneration policy must be

presented to the Annual General Meeting at least every four years for an advisory vote and whenever material changes have been made to it.

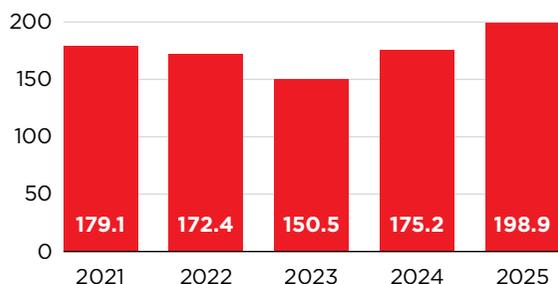
DEVELOPMENT OF THE REMUNERATION

Harvia is one of the leading companies operating in the sauna market globally, as measured by revenue. Since its initial public offering in 2018, Harvia has more than doubled its size in revenue while delivering consistently strong profitability. Harvia has defined its strategic role in the industry as “shaping the global sauna market so that everyone has a reason to experience sauna”. The strategic focus areas are: Delivering the full sauna experience; Winning in strategically important markets; Leading in key channels; and Best-in-class operations & great people.

During the five-year period reviewed in the Remuneration Report, the Group’s revenue has increased from EUR 179.1 million in 2021 to EUR 198.9 million in 2025. Harvia proved again its ability to deliver solid financial results during the year, including 13.5% revenue growth, while taking leaps forward in strategic initiatives that ensure the company’s success in the future. The adjusted operating profit amounted to EUR 39.1 million in 2025, while it was EUR 47.3 million in 2021. Adjusted operating profit margin was 19.6 percent in 2025.

Dividends paid by Harvia have increased by 47.1% in 2021-2025. The total shareholder return (TSR) of Harvia’s share was 88.1% in 2021-2025. Dividends paid in 2021-2025 and the price development of Harvia’s share have been taken into account in the TSR.

REVENUE, EUR MILLION



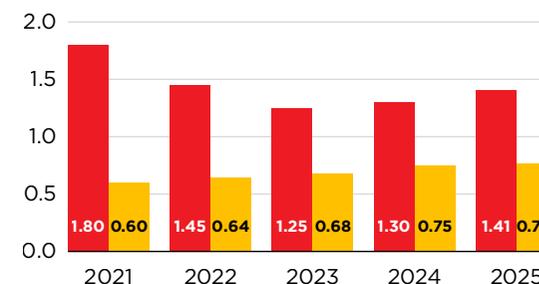
ADJUSTED OPERATING PROFIT AND ADJUSTED OPERATING PROFIT MARGIN



■ Adjusted operating profit*, EUR million
 ■ Adjusted operating profit margin, %

* Adjusted by items affecting comparability

EARNINGS PER SHARE AND DIVIDEND PER SHARE, EUR



■ Earnings per share, EUR ■ Dividend per share, EUR

* Dividend per share for 2025 is the dividend proposal of Harvia’s Board of Directors to the 2026 Annual General Meeting.

REMUNERATION

(EUR 1,000)	2021	2022	2023	2024	2025
Chair of the Board	53	53	61	58	63
Change from the previous year, %	-8%	1%	14%	-5%	9%
Other Board members on average	28	30	32	37	49
Change from the previous year, %	36%	10%	6%	16%	30%
CEO's fixed monthly salary including taxable benefits ¹⁾	524	510	570	511	567
Change from the previous year, %	9%	-3%	12%	-10%	11%
CEO's remuneration in total ^{1), 2)}	1,774	1,523	695	581	839
Change from the previous year, %	190%	-14%	-54%	-16%	44%
The salary of a Harvia employee on average ³⁾	33	33	39	45	49
Change from the previous year, %	-2%	0%	18%	16%	8%

1) Based on remuneration paid to Tapio Pajuharju by 31 May 2023 and remuneration paid to Matias Järnefelt as of 1 June 2023.
 2) Rewards based on Harvia's long-term incentive program were paid to Pajuharju in shares in May 2021 for the 2018-2020 performance period with the gross value of EUR 1,012,291.35, and in May 2022 for the 2019-2021 performance period with the gross value of EUR 721,052.57.
 3) The average salary of a Harvia employee is calculated by taking the total salaries and bonuses paid to employees other than the members of the Board of Directors, as defined in the financial statements for the financial year, and dividing the amount by the number of employees.

REMUNERATION PAID TO THE CEO, MEUR



Based on remuneration paid to Tapio Pajuharju until 31 May 2023 and remuneration paid to Matias Järnefelt as of 1 June 2023.



REMUNERATION OF THE BOARD OF DIRECTORS IN 2025

In accordance with the Finnish Limited Liability Companies Act, the shareholders decide on the remuneration of the members of the Board of Directors in the Annual General Meeting. Decisions concerning the remuneration of the Board of Directors are made in the Annual General Meeting for a single term of office at a time based on a proposal of the Shareholders' Nomination Board, established following the decision of the Annual General Meeting 2020.

The Annual General Meeting 2025 resolved on the following monthly remuneration for the members of the Board of Directors for their term ending after the Annual General Meeting 2026:

- Chairperson of the Board EUR 5,000 (EUR 5,000 resolved by the Annual General Meeting 2024)
- Deputy Chair of the Board EUR 3,500 (3,500)
- Other members of the Board EUR 3,000 (EUR 3,000).

According to the Annual General Meeting's resolution in 2025, the monthly remuneration of the Board members is paid in company shares and in cash in such a way that 40% of the total monthly remuneration will be paid in company shares purchased at a price determined in public trading on Nasdaq Helsinki Ltd or via a share issue and 60% will be paid in cash. The company will pay any trading costs and transfer tax related to the purchase of the remuneration shares. In case the remuneration cannot be paid in the company's shares due to legal or other regulatory restrictions or due to other reasons related to the company or a member of the Board of Directors or if the payment

of the remuneration in shares would prove to be unreasonably difficult in practice, the remuneration will be paid in cash. A member of the Board of Directors may not assign the shares received as remuneration for Board membership in 2025 until two years have passed since the date of the receipt of the shares.

In addition, the Shareholders' Nomination Board had proposed that the remuneration of the Board committee members be paid as meeting fees as follows: EUR 1,000 per meeting for the Chair of a committee (1,000) and EUR 600 per meeting for the other members (600). The remuneration for the Board committee work is paid in cash.

The Annual General Meeting also resolved that the members of the Board of Directors living outside Finland will be paid EUR 900 per meeting if the member travels to Finland only for that meeting (900). The fee is paid in cash. If a member participates in a meeting via phone or other electronic means, no separate meeting fee will be paid. No fee is paid for decisions made without convening a meeting.

The travel expenses of the members of the Board of Directors are compensated in accordance with the company's travel policy.

Remuneration for the company's Board members does not include pension payments, and Board members are not paid other fringe benefits. The members of the Board of Directors are not included in Harvia's short or long-term incentive programs. The Board members have not received any rewards from other Harvia Group companies.



REMUNERATION PAID TO THE BOARD OF DIRECTORS IN 2025

Due to the decision-making cycle, Board remuneration from 1 January 2025 until the Annual General Meeting on 8 April 2025 was based on the decision made by the Annual General Meeting 2024. For the term 2024–2025, the remuneration for the Board of Directors was paid fully in cash due to the insider project related to the ThermaSol acquisition at the time of the remuneration payment in 2024. From the Annual General Meeting 2025 until 31 December 2025, the remuneration was based on the Annual General Meeting 2025 decision.

In all, the members of the Board of Directors were paid EUR 357,525 (245,586) in 2025. The total sum reflects the differing schedules and means for paying the remunerations related to the 2024–2025 and 2025–2026 terms.¹⁾

Member	Monthly remuneration in total in 2025, EUR ¹⁾	Monthly remuneration in shares, EUR ²⁾	Monthly remuneration in pcs ³⁾	Monthly remuneration in cash, EUR	Remuneration for Audit Committee membership, EUR	Remuneration for Personnel and Remuneration Committee membership, EUR	Meeting fees, EUR ⁴⁾	Remuneration paid in financial year 2025 in total, EUR
Catharina Stackelberg- Hammarén Chair from 17 Nov. Deputy Chair until 17 Nov.	55,625	16,612	351	39,013		4,000		59,625
Markus Lengauer, Deputy Chair from 17 Nov.	36,750			36,750	4,200		1,800	42,750
Petri Castrén, Member from 8 April	36,000	14,245	301	21,755	5,000			41,000
Anders Holmén	45,750	14,245	301	31,505	4,200			49,950
Hille Korhonen	45,750	14,245	301	31,505	4,400			50,150
Olli Liitola	45,750	14,245	301	31,505		3,600		49 350
Heiner Olbrich Chair until 17 Nov.	57,000			57,000		5,000	2,700	64,700
Total	322,625	73,592	1,555	249,033	17,800	12,600	4,500	357,525

1) The monthly remuneration includes the payment for 1-4/2025 (the remuneration for the Board of Directors for the term 2024–2025 was paid fully in cash due to the insider project related to the ThermaSol acquisition in 2024) and the remuneration for the term 2025–2026. In accordance with the decision of the Annual General Meeting 2025, 40% of the monthly remuneration for the term 2025–2026 is paid in Harvia Plc shares and 60% in cash.

Some members receive their monthly remuneration fully in cash for the term in question. For the members to whom their monthly remuneration is paid partly in Harvia shares, the share component was paid in full on 23 May 2025. For these members, the monthly remuneration includes the share purchase-related transfer tax that was paid by the company.

2) 40% of the monthly remuneration for the Board membership for the term beginning from the Annual General Meeting 2025 on 8 April 2025 and expiring at the end of the Annual General Meeting 2026.

3) The number of shares is based on the volume-weighted average price of the Harvia share on the Nasdaq Helsinki Ltd during 21 May 2025 (EUR 47.81 per share).

4) The members of the Board of Directors living outside Finland were paid EUR 900 per meeting if the member traveled to Finland only for that meeting.

CEO REMUNERATION IN 2025

The Board of Directors decides on the remuneration of the CEO as well as on the key terms and conditions of the CEO's service. The target levels and maximum levels of the variable remuneration-related measures are based on the long-term strategic objectives defined by the Board of Directors. The fulfilment of the criteria supports the company's long-term financial success.

According to the Remuneration Policy 2025, the remuneration of the CEO consists of a monthly salary and other taxable benefits, and performance-based incentive systems. The incentive systems consist of an annual short-term performance incentive scheme and a long-term share incentive scheme. The remuneration of the CEO may also include a supplementary pension arrangement and a severance payment. Also, the CEO may possess a life insurance, a permanent disability insurance, a private accident insurance, a business travel insurance and a director's liability insurance provided by Harvia.

SUMMARY OF CEO REMUNERATION COMPONENTS IN 2025

Remuneration component	Description of remuneration
Fixed: Salary	Monthly salary including taxable benefits: car benefit and telephone benefit
Fixed: Pension	Statutory pension in Finland; no supplementary pension arrangement.
Variable: Short-term incentive scheme	The purpose is to support the achievement of the company's short-term financial and strategic objectives. The performance period for the CEO's short-term incentive scheme is one year. The payment of the bonus is based on achieving the target level for Harvia's consolidated adjusted operating profit and personal targets. If the criteria are met, the CEO may be entitled to a reward with maximum vesting of 70% of the fixed annual salary.
Variable: Long-term incentive scheme	The share-based long-term incentive scheme aims to support the implementation of the company's strategy, align the objectives of the CEO and the company's shareholders to increase the value of the company and improve the performance of the company, and commit the CEO to the company. The performance periods are of minimum three financial years. Maximum reward levels are 70% of the fixed annual salary at the target with upper range of vesting at 140% of the fixed annual salary.

In 2025, the CEO was no longer part of the performance bonus covering the entire personnel of Harvia's companies in Finland. The bonus was converted into the base salary of the CEO.



TOTAL COMPENSATION IN 2025

In 2025, CEO Matias Järnefelt was paid a total remuneration of EUR 839,153 (580,776). Variable remuneration constituted 32% (12%) of the overall remuneration and fixed pay 68% (88%).

FIXED SALARY

CEO Matias Järnefelt's monthly salary paid in 2025 totaled to EUR 566,545 (510,639) including taxable benefits (car, telephone).

SHORT-TERM INCENTIVE SCHEME

In 2024, the bonus payable based on the short-term incentive (STI) scheme could account for a maximum of 50 percent of the CEO's fixed salary including benefits. In the STI performance period 2024, the personal targets related to Harvia's growth as well as to developing the Group strategy, implementation of the new operational model as well as the development of the US business. The STI bonus was paid in March 2025.

In the financial year 2025, the CEO's personal targets were related to the success of the steam business, development of the D2C channel in Continental Europe, and developing the infrared strategy. The STI bonus for the year 2025 will be paid in March 2026.

The STI bonus to the CEO for 2026 is based on the criteria of the consolidated adjusted operating profit and on three personal targets. The Board of Directors has defined the maximum incentive to be 70% of the fixed annual salary including benefits.

STI bonus criteria in 2024	Weight	Performance outcome ¹⁾
Consolidated adjusted operating profit	66.7%	66.7%
Personal targets	33.3%	29.5%
Total	100.0%	96.2%

Bonus payment for 2024 **EUR 243,556**
(paid in 2025)

1) Maximum incentive 50% of the fixed annual salary including benefits.

STI bonus criteria in 2025	Weight	Performance outcome ¹⁾
Consolidated adjusted operating profit	70.0%	37.3%
Personal targets	30.0%	16.7%
Total	100.0%	54.0%

Bonus payment for 2025 **EUR 213,717**
(to be paid in 2026)

1) Maximum incentive 70% of the fixed annual salary including benefits.

STI bonus criteria for 2026	Weight
Consolidated adjusted operating profit	70%
Personal targets	30%
Total	100.0%

LONG-TERM INCENTIVE SCHEME

For each performance period, the Board of Directors separately decides the performance criteria and related targets, as well as the minimum, target, and maximum reward potentially payable based on target attainment. The payment of rewards based on the performance criterion concerning revenue growth requires that Harvia achieves a certain EBIT margin in the performance period.

If the targets of the plan are reached, rewards will be paid during the spring following the end of the given performance period. If the CEO’s service

ends before the payment of the reward, no reward would be paid as a rule. The program has no commitment period or terms and conditions associated with the number of shareholdings.

The potential rewards paid through the incentive program represent gross earning, from which the withholding tax and possible other applicable contributions are deducted, and the remaining net amount is paid in shares. However, the company has the right to pay the reward fully in cash under certain circumstances.

Performance period	Performance criteria and their weighting	Payment date	The maximum number of shares to be paid to the CEO, gross	The reward earned by the CEO in relation to the maximum	The number of the gross (net) shares earned by the CEO
2022–2024	<ul style="list-style-type: none"> Absolute TSR (50%) Organic revenue growth (35%) Reducing CO₂ emissions (15%) 	26 March 2025	16,889	0 (Järnefelt not covered by the performance period)	0
2023–2025	<ul style="list-style-type: none"> Absolute TSR (50%) Organic revenue growth (35%) Reducing CO₂ emissions (15%) 	Spring 2026	13,835	58.1%	8,032
2024–2026	<ul style="list-style-type: none"> Absolute TSR (50%) Revenue growth (40%) Reducing CO₂ emissions (10%) 	Spring 2027	11,893	Ongoing performance period	
2025–2027	<ul style="list-style-type: none"> Absolute TSR (50%) Revenue growth (40%) Reducing CO₂ emissions (10%) 	Spring 2028	11,894	Ongoing performance period	

REMUNERATION PAID TO THE CEO IN 2025

Remuneration component	EUR
Fixed monthly salary, in total ¹⁾	566,545
Short-term incentives from 2024	243,556
Performance bonus from 2024	29,052
Total	839,153

1) Including taxable benefits (car and telephone benefit).

REMUNERATION TO BE PAID TO THE CEO IN 2026 BASED ON THE 2025 PERFORMANCE

Remuneration component	
Short-term incentives from 2025, EUR	213,717
Long-term incentives 2023–2025, shares ¹⁾	8,032

1) Gross value of the rewards. The CEO will be paid 8,032 shares (gross) on or about in March and the value of the shares on the payment date will be based on the closing price of the company's share on that date. Withholding tax and possible other applicable contributions will be deducted from the gross earning and the remaining net amount will be paid in shares.

THE KEY TERMS OF SERVICE OF THE CEO

The management contract of CEO Järnefelt is valid until further notice. The CEO's contract contains a mutual six-month period of notice and a 12-month non-compete period upon its termination.

If the company terminates the service contract, the CEO is entitled to a severance payment corresponding to six months' basic salary. The CEO's retirement age is determined by the statutory pension system.

