



Remuneration  
Report

**2023**

# YIT Corporation's Remuneration Report for 2023

The Remuneration Policy at YIT aims to support our ability to create better living environments and accelerate strategic transformation. Our goal is to deliver a higher, predictable level of profit and to be the leader in developing and building sustainable environments. The four cornerstones of our remuneration policy are:

## YIT REMUNERATION

Strengthens our culture and supports shareholder value creation

Motivates our people and supports to retain and recruit the talents needed

Promotes strategy execution and management by key results

Is responsibly managed, flexible and in line with our long-term financial goals

The strategic priorities and the cornerstones of our Remuneration Policy are the basis for the elements of our remuneration. Base pay and benefits are at a competitive level to recruit, motivate and retain talents, and the level of these elements is benchmarked regularly with market practices. The short-term and long-term incentive plans support driving financial performance and strategic transformation, as well as success with our customers and sustainability-related targets..

Based on 2023 performance, no short-term incentive payments are made. With long-term incentive plan (LTIP) and earning periods 2021–2023, 2022–2024 and 2023–2025 the KPI performance development has been modest. Similar to previous years, with the LTIP KPIs, sustainability-related metrics have developed positively, whereas both ROCE % and absolute TSR have remained below their threshold levels.

This Remuneration Report is based on the Finnish Corporate Governance Code 2020 of the Securities Market Association and provides the details of the remuneration paid to members of the Board of Directors, President and CEO, and his Deputy.

The remuneration of the Board of Directors and the President and CEO follows the principles of the YIT Remuneration Policy 2020–2023 approved at the Annual General Meeting on 12 March 2020.

The Remuneration Policy 2020–2023 has been followed during 2023. The Board has made 9 Feb 2023 an interim exception as defined under the Remuneration Policy by introducing a separate, fixed-term incentive plan for years 2023 and 2024 related to the company's strategic transformation program. This incentive plan applies to the President and CEO and other key persons.

## REMUNERATION DEVELOPMENT

YIT's strategy emphasises customer, productivity and sustainability. Development in the area of sustainability has been supported with the means of remuneration for a long time already. Since 2020, especially the use of environment-related metrics in different incentive programs has been increased progressively.

The details in table below are presented on an accrual basis.

President and CEO (EUR) <sup>1</sup>	2023	2022	2021	2020 <sup>3</sup>	2019
Heikki Vuorenmaa, CEO 28 Nov 2022 onwards <sup>2</sup>	732,683	47,575			
Markku Moilanen, CEO from 1 Apr 2021 to 27 Nov 2022		2,317,317	547,497		
Antti Inkilä, Interim CEO from 23 Oct 2020 to 31 Mar 2021			180,280	91,143	
Kari Kauniskangas, CEO to 22 Oct 2020				1,655,303	887,225

Board of Directors (EUR)	2023	2022	2021	2020 <sup>2</sup>	2019
YIT Board of Directors <sup>4</sup>	651,482	812,064	777,600	751,000	690,300

Employee average remuneration (EUR)	2023	2022	2021	2020 <sup>2</sup>	2019
YIT Employee <sup>5</sup>	52,834	55,243	51,986	44,213	46,569

<sup>1</sup> Remuneration details in this table do not include supplementary pension.

<sup>2</sup> The President and CEO has decided to decrease his salary with an amount equal to 2 weeks pay to contribute to the company's cost reduction and efficiency development efforts.

<sup>3</sup> COVID-19 pandemic-related temporary lay-offs and cost saving measures impact the 2020 figures.

<sup>4</sup> The Board has decided to decrease their annual fixed fee by 10 % to contribute to the company's cost reduction and efficiency development efforts.

<sup>5</sup> Calculated by dividing total salary and rewards costs by the average number of the employees. Pension and other social costs paid by the employer are not included in these figures. Employee average remuneration in 2023 and 2022 reflects continuous operations. The 2019–2021 figures have not been restated.

## FINANCIAL KEY METRICS (IFRS)

Revenue (EURm)	2023	2022	2021	2020 <sup>1</sup>	2019
YIT	2,163	2,403	2,652	3,069	3,392
Operating profit (EURm)	2023	2022	2021	2020 <sup>1</sup>	2019
YIT	51	102	56	35	80
Order book (EURm) <sup>2</sup>	2023	2022	2021	2020 <sup>1</sup>	2019
YIT	3,157	3,702	3,847	3,528	4,131

YIT has restated financial information for the 2021 comparative period reflecting the reporting of sold Russian businesses as discontinued operations. The balance sheet and cash flow statement for the previous comparative periods were not restated.

<sup>1</sup> Sales of the Pavement business to Peab in 2020 contributes to the decrease in Order book and Revenue numbers and has a one-time positive impact on Operating profit in 2020.

<sup>2</sup> Comparability is affected by the sale of Russian businesses. The comparative periods' figures before 2021 have not been restated.

## REMUNERATION OF THE BOARD OF DIRECTORS

The Annual General Meeting decides on the annual remuneration of the Board of Directors and the Board Committees. Based on the decision of the Annual General Meeting on 16 March 2023, the members of the Board were required to acquire YIT corporation shares from a regulated market (Nasdaq Helsinki Ltd) with an amount equal to 40% of their fixed fee. The shares in question were purchased directly on behalf of the members of the Board within a two-week period following the disclosure of the Q1 2023 quarterly report. In addition to a fixed fee, the Board members were paid based on their positions as the chair or members of the Board committees.

Fixed fees decided by the Annual General Meeting on 16 March 2023

- Chair of the Board: EUR 105,000
- Vice chair of the Board and chairs of the committees unless the same person serves as chair or vice chair of the Board: EUR 73,500
- Members of the Board: EUR 52,500

In addition, EUR 800 per meeting has been paid to members of the Board located in Finland, and EUR 2,000 per meeting to the members of the Board located in Europe outside Finland, also for meetings of the Board and its committees held via electronic remote connections or by telephone. Earlier, until 15 March 2023, if the meeting was held by phone or by other electronic devices and connections, the Board and Committee meeting fee paid was EUR 800 per meeting for both members living in Finland and elsewhere in Europe. In case of remote meetings, EUR 800 has been paid to members of the Board regardless of their place of residence. The same fees have also been paid for the Board committee meetings for the committee members, the chairs of the committees have been paid a fee of EUR 1,600 per meeting.

Travel-related costs in the home country and abroad have been reimbursed, and daily allowances have been paid according to YIT's Travel Policy and rules set by the tax authorities.

The Board has decided to decrease their annual fixed fee by 10% to contribute to the company's cost reduction and efficiency development efforts.

The remuneration paid to the members of the Board of Directors for the calendar year 2023 totals EUR 651,482 (EUR 812,064 in 2022). None of the Board members has an employment relationship or service contract with YIT Group, and they are not covered by YIT Group's short- or long-term incentive plans or pension plans. Board remuneration in total and YIT shares purchased with the set proportion of the fixed fee are disclosed in the tables below.

## BOARD OF DIRECTORS' FEES IN TOTAL (EUR)

Member of the Board	Position	Fixed Fee	Board meeting fees	Committee meeting fees	Total 2023	Total 2022	Total 2021	Total 2020	Total 2019
Harri-Pekka Kaukonen	Chair of the Board	95,105	22,400	14,400	131,905	144,872	143,200	129,200	127,900
Jyri Luomakoski	Vice Chair of the Board	66,573	11,200	12,800	90,573	67,236	-	-	-
Sami Laine	Member of the Board	47,552	11,200	10,400	69,152	27,969	-	-	-
Casimir Lindholm	Member of the Board	66,573	11,200	12,800	90,573	68,836	-	-	-
Keith Silverang	Member of the Board	47,552	11,200	4,000	62,752	27,969	-	-	-
Barbara Topolska	Member of the Board	47,552	26,000	16,800	90,352	81,636	108,000	125,000	88,000
Kerttu Tuomas	Member of the Board	66,573	10,400	13,600	90,573	91,570	-	-	-
Previous members of the Board, total		-	18,000	7,600	25,600	301,977	526,400	496,800	474,400
<b>Total</b>		<b>437,482</b>	<b>121,600</b>	<b>92,400</b>	<b>651,482</b>	<b>812,064</b>	<b>777,600</b>	<b>751,000</b>	<b>690,300</b>

## SHARES PURCHASED WITH FIXED FEES (NUMBER OF SHARES)

Member of the Board	Position	YIT shares purchased in 2023	YIT shares purchased in 2022	YIT shares purchased in 2021	YIT shares purchased in 2020	YIT shares purchased in 2019
Harri-Pekka Kaukonen	Chair of the Board	16,646	10,735	7,321	7,615	7,436
Jyri Luomakoski	Vice Chair of the Board	11,652	5,367	-	-	-
Sami Laine	Member of the Board	8,323	3,363	-	-	-
Casimir Lindholm	Member of the Board	11,652	5,367	-	-	-
Keith Silverang	Member of the Board	8,323	3,363	-	-	-
Barbara Topolska	Member of the Board	8,323	5,367	3,660	3,807	3,718
Kerttu Tuomas	Member of the Board	11,652	7,514	-	-	-
Previous members of the Board, total		-	20,395	24,890	25,888	25,282
<b>Total</b>		<b>76,571</b>	<b>61,471</b>	<b>35,871</b>	<b>37,310</b>	<b>36,436</b>

## REMUNERATION OF THE PRESIDENT AND CEO

The Board of Directors decides on the remuneration, benefits and other terms of the service contract of the YIT's President and CEO. The President and CEO's remuneration consists of a fixed base salary, fringe benefits, an annual short-term incentive plan, a long-term incentive plan and a supplementary pension plan. In addition, the Board has decided of a fixed-term incentive plan related to the Group's strategic transformation program. The same remuneration components also form the total remuneration for the Deputy to the President and CEO.

Heikki Vuorenmaa started as the President and CEO of the YIT Corporation on 28 November 2022. Markku Moilanen served as the President and CEO of the YIT Corporation until 27 November 2022. Since 1 August 2021, the Deputy to the President and CEO has been Antti Inkilä.

According to the Remuneration Policy, the President and CEO is paid for performance, and the variable pay components, i.e. short- and long-term incentives and the fixed-term incentive plan related to the Group's strategic transformation program, therefore form a large part of his remuneration mix.

## ANNUAL SHORT-TERM INCENTIVES (ANNUAL STIP)

The President and CEO's short-term incentive earning opportunity in the earning period 2022 was at the target level of 45% and at the maximum level of 90% of the annual fixed base salary (including fringe benefits). Earning opportunities for the other roles for both the 2023 and 2022 earning periods are listed below.

### Earning opportunity

Role	2023		2022	
	Target	Maximum	Target	Maximum
President and CEO <sup>1</sup>	45.0%	90.0%	45.0%	90.0%
Deputy to President and CEO <sup>2</sup>	25.0%	50.0%	25.0%	50.0%
Former President and CEO <sup>3</sup>			45.0%	90.0%

<sup>1</sup> Heikki Vuorenmaa was ineligible for Annual STIP from the 2022 earning period.

<sup>2</sup> Antti Inkilä, the Deputy to the President and CEO since 1 August 2021.

<sup>3</sup> Markku Moilanen, YIT President and CEO 1 April 2021 – 27 November 2022.

## CEO Annual STIP metrics and results 2023

KPI	Weight	Performance
Adjusted Operating Profit	40.0%	0.0%
Operative Cash Flow	40.0%	0.0%
Customer satisfaction	10.0%	58.3%
Work Safety	10.0%	69.0%
Group's Adjusted Operating Profit as on/off trigger		Off
<b>Total</b>	<b>100%</b>	

## CEO Annual STIP metrics and results 2022

KPI	Weight	Performance
Adjusted Operating Profit	70.0%	75.1%
Operative Cash Flow	20.0%	81.2%
Customer satisfaction	5.0%	38.5%
Work Safety	5.0%	0.0%
Group's Adjusted Operating Profit as on/off trigger		On
<b>Total</b>	<b>100%</b>	<b>70.8%</b>

## Paid and to-be-paid Annual STIP payments

Role	To-be-paid in 2024	Paid in 2023
President and CEO <sup>1</sup>	0	0
Deputy to President and CEO <sup>2</sup>	0	96,550
Former President and CEO <sup>3</sup>	0	434,040

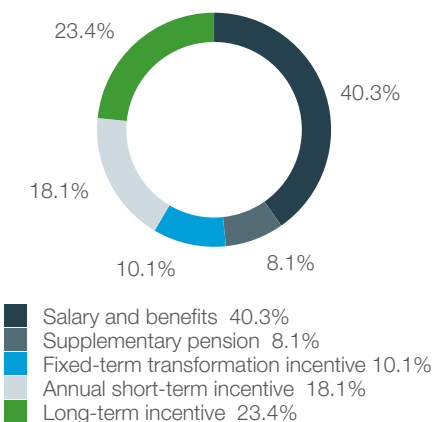
<sup>1</sup> Heikki Vuorenmaa was not eligible for Annual STIP from 2022 earning period.

<sup>2</sup> Antti Inkilä, the Deputy to the President and CEO since 1 August 2021.

<sup>3</sup> Markku Moilanen, YIT President and CEO 1 April 2021 – 27 November 2022.

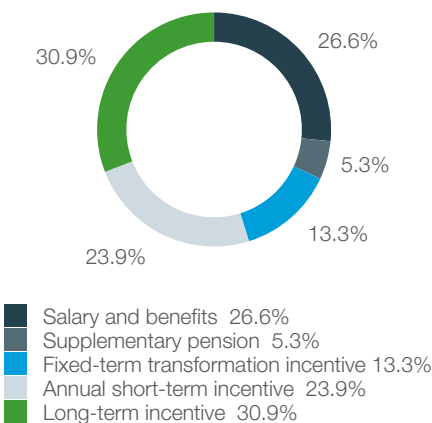
## CEO REMUNERATION MIX (TARGET, EURm<sup>1</sup>)

At the target level, the total rewards of the President and CEO add up to EUR 1.19 million, of which fixed pay constitutes 48.4%, and variable pay 51.6%.



## CEO REMUNERATION MIX (MAX, EURm<sup>1</sup>)

At the maximum level, the total rewards of the President and CEO add up to EUR 1.81 million, of which fixed pay constitutes 31.9%, and variable pay 68.1%.



<sup>1</sup> Long-term incentive earning opportunity at the target and the maximum level is calculated with a rate of € 2.00/YIT share.

## INCENTIVE PLAN RELATED TO STRATEGIC TRANSFORMATION PROGRAM

The Board of Directors decided on 9 February 2023 on a fixed-term incentive plan related to the strategic transformation program for the key personnel for 2023 and 2024. The purpose of the plan is to accelerate the progress with the goals set for the strategic transformation program, making the company's operations more efficient, improving competitiveness, strengthening YIT as a company and ultimately improving the products and services offered to our customers. The earning opportunities and earned payments are presented in the tables below.

		2023			
Name	Role	Target	Maximum	Result	Payment
Heikki Vuorenmaa	President and CEO 28 Nov 2022 onwards	25.0%	50.0%	50.0%	251,202
Antti Inkilä	Deputy to President and CEO 1 Aug 2021 onwards	10.0%	20.0%	20.0%	109,728

		2024			
Name	Role	Target	Maximum	Result	Payment
Heikki Vuorenmaa	President and CEO 28 Nov 2022 onwards	25.0%	50.0%		
Antti Inkilä	Deputy to President and CEO 1 Aug 2021 onwards	15.0%	30.0%		

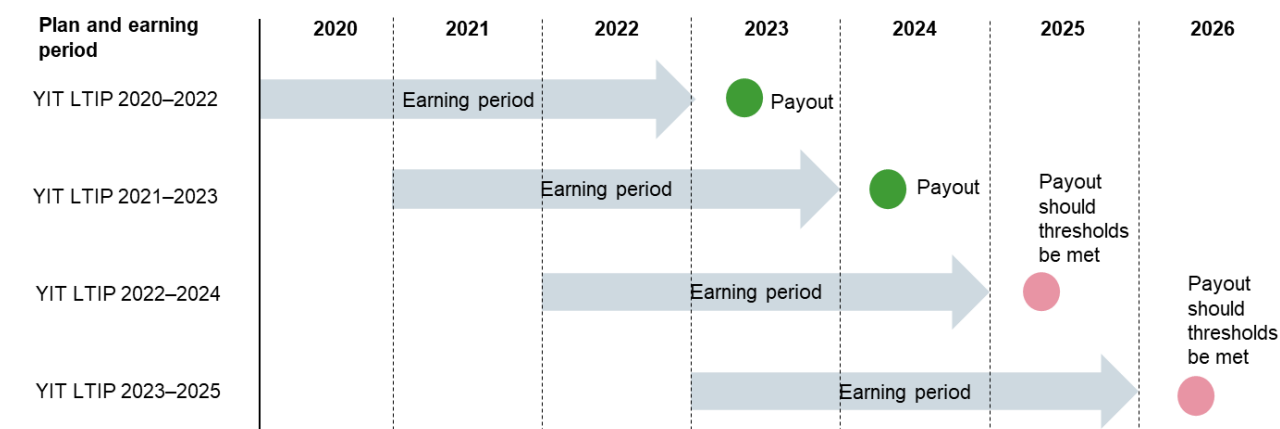
## LONG-TERM INCENTIVES

YIT has long-term incentive plan (abbreviated LTIP) in use to drive strategic transformation and long-term financial performance and to retain key persons.

In 2019, The Board of Directors decided to establish a Performance Share Plan type of LTIP with three-year earning periods, of which the second runs from 1 January 2021 to 31 December 2023, the third from 1 January 2022 to 31 December 2024, and the fourth from 1 January 2023 to 31 December 2025. The share reward from the 2020–2022 earning period was paid in 2023. The potential share rewards from the 2021–2023 earning period will be made in 2024, from the 2022–2024 earning period in 2025, and from the 2023–2025 earning period in 2026.

The Deputy to President and CEO Antti Inkilä received a share payment of 3,040 gross shares on 5 May 2023 based on the 2020–2022 earning period's performance metrics ROCE, Absolute TSR and NPS. He has earned a reward of 12,800 gross shares based on the 2021–2023 earning period's performance metrics ROCE, Absolute TSR and Emissions reduction index. This reward is due for payment in May 2024.

## Long-term incentive plans



## Long-term incentive plan metrics and results

Plan and earning period	KPI	Weight	Performance
YIT LTIP 2023–2025	Absolute TSR	90.0%	Results can be assessed and disclosed after the earning period end.
	Sustainability (Environment)	10.0%	
YIT LTIP 2022–2024	Absolute TSR	90.0%	Results can be assessed and disclosed after the earning period end.
	Sustainability (Environment)	10.0%	
YIT LTIP 2021–2023	ROCE	45.0%	10.0%
	Absolute TSR	45.0%	
	Sustainability (Environment)	10.0%	
YIT LTIP 2020–2022	ROCE	70.0%	6.1%
	Absolute TSR	20.0%	
	NPS	10.0%	

## PRESIDENT AND CEO'S SUPPLEMENTARY PENSION

The President and CEO of YIT has a supplementary defined contribution pension scheme. The same pension scheme also applies to the Deputy to the President and CEO. The annual contribution of the plan was 20% of the fixed base salary in 2019–2023.

The contributions made to the supplementary pension scheme are disclosed in the table below.

Pension contributions (EUR)		2023	2022	2021	2020	2019
Heikki Vuorenmaa	President and CEO 28 Nov 2022 onwards	100,481	8,373			
Markku Moilanen	President and CEO 1 Apr 2021 to 27 Nov 2022	61,806	135,973	109,499		
Antti Inkilä	Interim President and CEO 23 Oct 2020 to 31 Mar 2021			24,000	11,535	
Kari Kauniskangas	President and CEO to 22 Oct 2020				98,598	112,116
Antti Inkilä	Deputy to President and CEO 1 Aug 2021 onwards	73,376	73,376	40,000		
Ilkka Salonen	Deputy to President and CEO to 31 Jul 2021			37,243	63,845	60,245

## TERMINATION COMPENSATION

The former YIT President and CEO Markku Moilanen is paid the following final salary and severance payments according to his service contract. The payable sums were confirmed in 2022 in connection with the termination of the contract. The payment of the notice pay started on 1 December 2022 and ended on 31 May 2023. The other elements of final salary and severance payments are made during 2022–2024. The total payable amounts are disclosed in the table below.

Remuneration element	EUR, thousands
Salary from notice period (6 months) <sup>1</sup>	436.0
Unused holiday	—
12-month severance payment	742.0
Annual STIP 2022	434.0
Long-term incentive plan 2021–2023 & 2022–2024	—
<b>Total</b>	<b>1,612.0</b>

<sup>1</sup> Includes supplementary pension

The former CFO and Deputy to President and CEO Ilkka Salonen was paid the following final salary and severance payments according to his service contract. The payable sums were confirmed in 2022 in connection with the termination of the contract. The payment of the notice pay ended on 30 September 2022. The other elements of final salary and severance payments were made during 2022 and 2023. The total paid amounts are disclosed in the table below.

Remuneration element	EUR, thousands
Salary from notice period (6 months)	159.6
Unused holiday and holiday bonus pay	—
6-month severance payment	159.6
Annual STIP 2021	27.3
Long-term incentive plan 2019	101.6
<b>Total</b>	<b>448.1</b>

## SUMMARY OF AGGREGATED REMUNERATION

Details in the table below are presented on a payment basis

Name	Position	2023							2022						2021	2020	2019	
		Annual salary	Benefits	Severance	Short-term incentives <sup>1</sup>	Long-term incentives	Suppl. pension	Total	Annual salary	Benefits	Severance	Short-term incentives	Long-term incentives	Suppl. pension	Total	Total	Total	Total
Heikki Vuorenmaa <sup>2</sup>	CEO 28 Nov 2022 onwards	481,241	240	—	—	—	100,481	581,961	47,553	22	—	—	—	8,373	55,948			
Markku Moilanen <sup>3</sup>	CEO 1 Apr 2021 to 27 Nov 2022	—	—	803,892	434,040	0	61,806	1,299,738	663,051	18,583	60,321	89,898	—	135,973	967,826	656,996		
Antti Inkilä	Interim CEO 23 Oct 2020 to 31 Mar 2021															207,911	102,678	
Kari Kauniskangas	CEO to 22 Oct 2020																1,901,595	999,341
Antti Inkilä	Deputy to CEO 1 Aug 2021 onwards	349,324	20,809	—	96,550	7,478	73,376	547,538	368,314	16,126	—	77,000	112,039	73,376	646,856	197,419		
Ilkka Salonen	Deputy to CEO to 31 Jul 2021															244,291	486,761	565,953

<sup>1</sup> Based on the incentive plan related to the strategic transformation program payments will be made in April 2024, EUR 251 202 for the President and CEO and EUR 109 728 for the Deputy to the President and CEO. No payments are made from the short-term incentive plan for the President and CEO or for the Deputy to the President and CEO based on the 2023 performance.

<sup>2</sup> The President and CEO and the Deputy to the President and CEO have decided to decrease their salaries with an amount equal to 2 weeks pay to contribute to the company's cost reduction and efficiency development efforts.

<sup>3</sup> The payments made to former President and CEO Markku Moilanen after the termination of his contract are reported in this table under 2022, 2023 and 2024. In YIT Remuneration Report 2022, this entire amount was reported in the column 'Severance'.

YIT expects its President and CEO to hold ownership in the company. The long-term incentive program aligns business strategy with the interests of the company owners and the interests of the President and CEO. The following table discloses the number of YIT shares earned from the long-term incentive program by the President and CEO, and the Deputy to the President and CEO, and the earning opportunities they have from the ongoing long-term incentive programs.

Name	Position	Number of YIT shares earned but not yet transferred <sup>1</sup>	Performance share earning opportunity <sup>2</sup>
Heikki Vuorenmaa	CEO 28 Nov 2022 onwards	—	140,000
Antti Inkilä	Deputy to CEO 1 Aug 2021 onwards	12,800	84,000

<sup>1</sup> Earnings from YIT LTIP 2021–2023 earning period are due in 2024. These are gross amounts before any taxes and other payments

<sup>2</sup> YIT LTIP 2022–2024 and 2023–2025 target earning opportunity disclosed. The maximum earning opportunity related to these earning periods is three times the target including a boost factor. These are gross amounts before any taxes and other payments.





YIT is a leading construction and development company. Building on over 110 years of experience, we develop and build sustainable living environments: functional homes, future-proof public and commercial buildings, and infrastructure to support the green transition. We employ approximately 4,300 professionals. Our revenue in 2023 was EUR 2.2 billion. YIT Corporation's shares are listed on Nasdaq Helsinki.

Read more: [www.yitgroup.com](http://www.yitgroup.com)

YIT Corporation  
B.O. Box 36  
00621 Helsinki, Finland  
Tel. +358 20 433 111  
[firstname.lastname@yit.fi](mailto:firstname.lastname@yit.fi)

