



Remuneration report 2022



This remuneration report 2022 states how Marimekko has implemented its remuneration policy in the financial year 2022. The report includes information concerning remuneration of the Board of Directors and the President and CEO of Marimekko between 1 January 2022 and 31 December 2022. The remuneration report has been prepared in accordance with the Finnish Corporate Governance Code 2020 and applicable laws and regulations.

The remuneration report has been prepared for review by the company's Audit and Remuneration Committee, and the Board has approved it for submission to the General Meeting. The shareholders will make an advisory decision on the approval of the remuneration report at the 2023 Annual General Meeting.

INTRODUCTION

Overview of remuneration in the financial year 2022

Marimekko's Remuneration Policy is the basis for the remuneration of Marimekko's Board of Directors and the President and CEO. The aim of the policy is to promote the company's long-term financial performance and the success of the company, contribute to the favorable development of the shareholder value and increase the commitment to the company. The Remuneration Policy is available on the company's website at company.marimekko.com under Investors/Management/Corporate Governance/Remuneration. The Remuneration Policy will be applied until the 2024 AGM, unless the Board decides to bring a revised policy for an advisory decision at an earlier General Meeting.

In the financial year 2022, the company's decision-making regarding remuneration was compliant with the processes defined in the Remuneration Policy. There has been no deviation from the Remuneration Policy and the Board has not identified a need to apply clawback provisions to variable remuneration paid.

In accordance with the current Remuneration Policy, the remuneration in 2022 has supported Marimekko's financial and strategy-based targets and goals as well as the sustainability strategy and the company values. The remuneration has established a strong link between the President and CEO and shareholder interests by tying a significant portion of the President and CEO's total earning opportunity to performance-based incentives derived from the

company's financial targets and operational metrics. The President and CEO's earning opportunities are based to a considerable extent on long-term incentive plans.

On 15 February 2022, Marimekko's Board of Directors established a new long-term incentive system, Performance share plan 2022–2026, targeted to the Management Group of Marimekko and at the beginning, it encompassed nine people including the President and CEO. The objective of the new plan is to continue aligning the interests of the management with the interests of the shareholders and to encourage the management to work on a long-term basis with the aim to increase the shareholder value.

Development of Marimekko's financial performance and remuneration

In 2022, Marimekko's net sales grew by 9 percent and were EUR 166,515 thousand (152,227). Net sales in Finland were up by 6 percent and international sales increased by 14 percent. Both a favorable trend in retail sales in Finland and growing international sales boosted net sales. On the other hand, net sales were weakened by a decrease in Finnish wholesale sales. The decrease was mainly due to significantly lower non-recurring promotional deliveries than in the comparable year.

Marimekko's operating profit was EUR 30,236 thousand (31,249). The operating profit included EUR 146 thousand of comparability items and the comparable operating profit was therefore EUR 30,382 thousand (31,249), or 18.2 percent of net sales

(20.5). Operating profit was mainly weakened by an increase in fixed costs but also lower relative sales margin. On the other hand, operating profit was particularly supported by increased net sales but also by lower depreciation than in the comparable year.

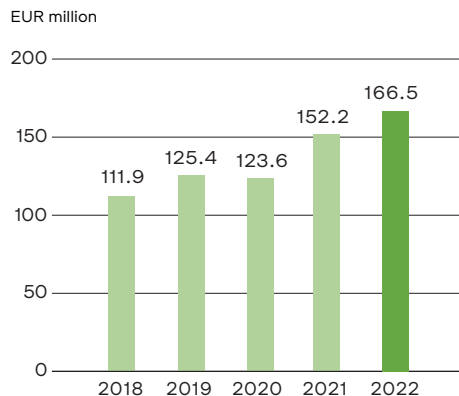
In 2022, Marimekko took productive steps in executing its growth strategy. Thanks to the sharpened creative vision, the desirability of the brand and collections has been further strengthened,

and the lifestyle assortment with different price points continues to serve customers also in a more price-sensitive environment. Interest in Marimekko is growing internationally, and the limited-edition brand collaboration collections launched during 2022, with brands such as adidas, have brought Marimekko to the awareness and reach of more and more people. In addition, the continuous work to reinforce the omnichannel and digital business is reflected in the company's competitiveness.

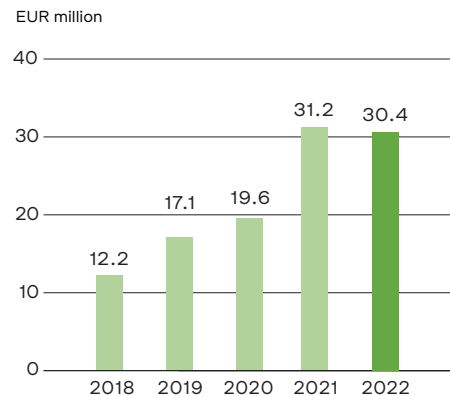
In accordance with Marimekko's Remuneration Policy, the remuneration of the President and CEO is largely based on performance, i.e., a significant part of the remuneration consists of short- and long-term incentives. As the targets of the short- and long-term incentives relate to the development of Marimekko's business operations, the company's financial performance is reflected in the development of the President and CEO's realized remuneration, particularly the short- and long-term incentives.

The graphs below show Marimekko's financial performance and the realized remuneration of the President and CEO. The short- and long-term incentives of the President and CEO are presented by year of payment and are always based on the performance in the previous year or longer term.

Net sales



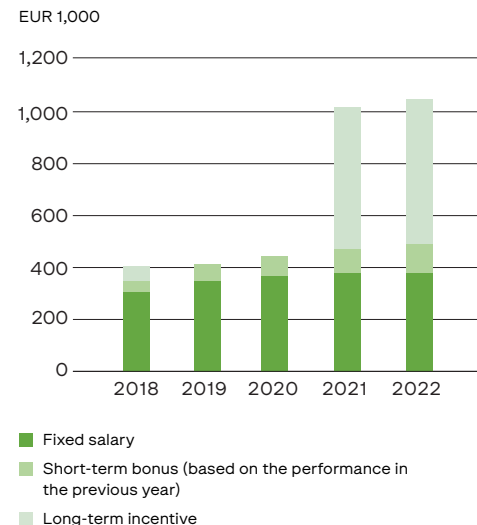
Comparable operating profit



Share price trend 2018–2022



Remuneration of the President and CEO by element



Remuneration of the President and CEO

(EUR 1,000)	2018	2019	2020	2021	2022
Fixed annual salary + fringe benefits	292	321	341	364	378
Short-term bonus (based on the performance in the previous year)	38	92	101	100	115
Long-term incentive	73	-	-	552	552
Total remuneration	403	413	443	1 016	1 045
Change from the previous year, %					
Fixed annual salary + fringe benefits	16	10	6	6	4
Total remuneration	28	2	7	129	3

Annual remuneration of Board members

	2018	2019	2020	2021	2022
Remuneration of Chair ¹ , 1,000 EUR	40	48	48	48	48
Change from the previous year, %	0	20	0	0	0
Remuneration of Vice Chair, 1,000 EUR	30	35	35	35	35
Change from the previous year, %	0	17	0	0	0
Remuneration of other members, 1,000 EUR	22	26	26	26	26
Change from the previous year, %	0	18	0	0	0

Average remuneration of employees

	2018	2019	2020	2021	2022
Change in average annual remuneration compared to the previous year, %	4,0	1,7	4,8	1,7	1,7

The change in an employee's average remuneration is based on the average of the remuneration of employees receiving monthly salaries and that of employees receiving hourly wages, taking account of the number of persons in these employee categories.

¹ In addition to the annual remuneration, in 2018, Mika Ihmuotila was paid a fee under a separate service agreement based on the Chair's full-time duty; since 2019, the duty has been on a half-time basis.

Fees paid or due to the Marimekko Board members in the financial year 2022

Board member	Role / Committee membership	Annual remuneration, EUR	Number of shares received as part of annual remuneration	Committee fees, EUR	Other fees, EUR	Total, EUR
Carol Chen	Member of the Board of Directors since 14 April 2021	26,000	842	-	-	26,000
Mika Ihmuotila	Member and Chair of the Board of Directors since 9 April 2015	48,000	-	-	53,040 ¹	101,040
Mikko-Heikki Inkeroinen	Member of the Board of Directors since 9 April 2015, Member of the Audit and Remuneration Committee since 6 April 2017	26,000	842	5,000	-	31,000
Teemu Kangas-Kärki	Member and Vice Chair of the Board of Directors, Chair of the Audit and Remuneration Committee since 12 April 2022	35,000	1,133	8,000,	-	43,000
Tomoki Takebayashi	Member of the Board of Directors since 14 April 2021	26,000	842	-	-	26,000
Marianne Vikkula	Member of the Board of Directors, Member of the Audit and Remuneration Committee since 12 April 2022	26,000	842	4,000	-	30,000
Elina Björklund	Vice Chair of the Board of Directors, Chair of the Audit and Remuneration Committee until 12 April 2022			2,000	-	2,000
Catharina Stackelberg-Hammarén	Member of the Board of Directors, Member of the Audit and Remuneration Committee until 12 April 2022			1,000	-	1,000

REMUNERATION OF THE BOARD IN 2022

Marimekko's AGM of 12 April 2022 decided on the annual fees to be paid to the Board members as follows:

- Chair of the Board EUR 48,000
- Vice Chair of the Board EUR 35,000
- other members of the Board EUR 26,000

Approximately 40 percent of the annual remuneration of the Board members is paid in Marimekko shares acquired from the market and the rest in cash. The remuneration is paid entirely in cash if a Board member on the date of the AGM, 12 April 2022, held the shares of company worth more than EUR 1,000,000.

The remuneration to the Board members in 2022 was paid according to the decision of the AGM and totaled EUR 203,000.

According to the decision of the AGM, the shares were acquired directly on behalf of the Board members within two weeks following the release of the interim report for the period 1 January to 31 March 2022. There are no specific rules or limitations for owning shares received as Board fees.

In addition, the AGM decided that no additional fee is paid to the Board members for participating in Board meetings. The AGM decided on a separate fee to be paid for committee work as follows: EUR 2,000 per meeting to Chair and EUR 1,000 per meeting to members. No other financial benefits were paid for Board membership.

¹ Fee paid to Mika Ihmuotila for half-time duty pursuant to a separate service agreement.

In addition to the annual remuneration of the Chair of the Board decided on by the AGM, a monthly fee of EUR 4,400 has been paid to Mika Ihamuotila for half-time duty pursuant to a separate service agreement. No other fees besides the annual remuneration of the Chair of the Board and the monthly fee paid under a separate service agreement have been paid to Mika Ihamuotila. The pension benefits are determined by the Employees' Pensions Act. The company's Audit and Remuneration Committee considers and prepares matters related to the terms and conditions of the separate service agreement and to the remuneration.

REMUNERATION OF THE PRESIDENT AND CEO IN 2022

The fixed annual salary, including fringe benefits, of the President and CEO Tiina Alahuhta-Kasko totaled EUR 378,240.00 in 2022. The total remuneration paid to the President and CEO in the financial year 2022 was EUR 1,045,240 (2021: 1,015,879).

In 2022, Marimekko had short-term bonus and long-term incentive systems in place for the President and CEO. The purpose of the short-term bonus is to promote the company's strategy through the achievement of annual targets. The performance criteria for the short-term bonus for the President and CEO in 2022 were based on the development of the company's net sales and operational result. In order to support Marimekko's profitable growth strategy, together these two KPIs were 80 percent of the targets. In addition, the President and CEO

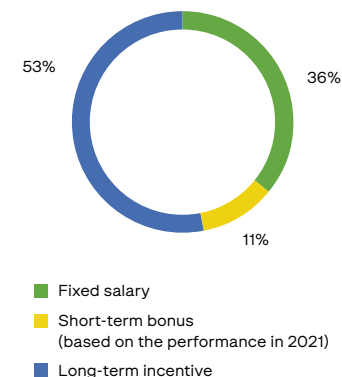
Long-term incentive systems in place in the financial year 2022

Earnings period	Board decision date	Earnings criteria	Criteria outcome (out of maximum level)	Number of shares ¹ received in payment	Payment in cash, EUR	Payment date
1 Apr. 2018–31 Jan. 2022	14 Feb. 2018	Total shareholder return incl. dividends	100%	10,025	405,217.76	18 Feb. 2022
1 Jan. 2022–30 June 2025	15 Feb. 2022	Total shareholder return incl. dividends	-	-	-	Estimated in early fall 2025

Remuneration paid to the President and CEO in the financial year 2022

Fixed annual salary + fringe benefits EUR	Short-term bonus ¹	Long-term incentive	Other fees	Total remuneration
378,240.00	115,000.00	552,000.00	-	1,045,240.00

Structure of the remuneration paid to the President and CEO in 2021



¹ The number of shares corrected to reflect the decision on issuance of shares without payment (share split) in accordance with the Company's Annual General Meeting held on 12 April 2022

² Based on the performance in the financial year 2021, paid in 2022.

³ Based on the second earnings period from 1 April 2018 to 31 January 2022 under the previous long-term incentive system.

had personal criteria related to strategic projects of the company, including also KPIs related to the sustainability. The President and CEO's maximum bonus under the short-term bonus system corresponds to her fixed gross salary for four months. The targets set by the Board were achieved at a rate of 62 percent, and the President and CEO's bonus earned in the financial year 2022 amounted to EUR 74,315. The bonus will be paid in spring 2023.

During the financial year 2022, two long-term incentive systems were in place: the second earnings period of 1 April 2018–31 January 2022 of the previous long-term incentive system and the first earnings period of 1 January 2022–30 June 2025 of the new long-term incentive system for 2022–2026. For the earnings period of 1 April 2018–31 January 2022, the reward was based on the company's total shareholder return including dividends. The net reward was paid in February 2022 half in company shares and half in cash. The shares received as part of the reward are subject to a two-year transfer restriction.

The new long-term incentive system for 2022–2026 is composed of two earnings periods: 1 January 2022–30 June 2025 and 1 January 2023–30 June 2026. The potential reward for the President and CEO from each earnings period is based on total shareholder return (TSR), i.e., the total yield on Marimekko Corporation's shares, including dividends, at the end of the period. The achievement of the required TSR levels will determine the proportion out of the maximum reward that will be paid to the President and CEO. The potential rewards are primarily planned to be paid half in company shares and half in cash after each earnings

period. The cash part of the reward is intended to cover the taxes and tax-like payments incurred by the participant. Earning the reward requires that the President and CEO is still working for the company at the time of the payment. The reward amounts earned through the plan will be capped if the maximum limit set by the Board for the payable reward is reached. The shares received as part of the reward are subject to a two-year transfer restriction.

The Board of Directors of Marimekko has decided that if the targets set for the first earnings period of 1 January 2022–30 June 2025 are met in full, the rewards to be paid to the President and CEO and other participants of the program on the basis of it correspond to the value of an approximate maximum total of 31,432 Marimekko shares including also the cash portion of the reward. The potential rewards from the first earnings period are estimated to be paid in early fall 2025.

In 2022, 36 percent of the remuneration paid to the President and CEO comprised of fixed components (including fringe benefits) while 64 percent comprised of variable components. The President and CEO's remuneration is covered by the Finnish statutory pension scheme.

If the President and CEO resigns of her own accord, the term of notice is six months. If the company terminates the contract, the term of notice is six months, but the President and CEO is entitled to a severance payment corresponding to her fixed salary of six months, in addition to her fixed salary during the term of notice. The remuneration in case of termination is tied to a fixed-term non-compete obligation.