



Enento Group Plc

Remuneration Report 2021

This Remuneration Report sets out how Enento Group Plc (“Enento”, “Company”) has implemented its Remuneration Policy in 2021. This report includes information concerning remuneration of the Board of Directors (“Board”), the CEO and the Interim CEO of Enento between 1 January 2021 and 31 December 2021.

The Report has been reviewed and approved by Enento’s Board of Directors. The shareholders will make an advisory decision on the approval of the Remuneration Report at the Company’s Annual General Meeting 2022.

Overview of Remuneration in 2021

Remuneration of the Enento governing bodies is based on the Remuneration Policy that was presented for an advisory decision at the Annual General Meeting held on 12 June 2020. The policy will be applied until it is reviewed next time in the Annual General Meeting: The next review will occur in Annual General Meeting 2024, unless the Board decides to bring the Remuneration Policy for an advisory decision at an earlier General Meeting.

The decision-making process on remuneration, as defined in the Remuneration Policy, has been followed in the remuneration decision-making in 2021. No temporary deviations from Remuneration Policy were applied in 2021. Furthermore, the Board did not observe any circumstances or activities that would have resulted in a need to apply clawback to the CEO’s variable remuneration in 2021. In its decision-making, the Board has also considered the results of the advisory votes for the Remuneration Policy 2020 and the Remuneration Report 2020: In both votes, more than 80% of votes cast were supportive.

In line with the Remuneration Policy, remuneration in 2021 has supported our long-term Nordic growth and shareholder value creation. A significant portion of the CEO’s total remuneration opportunity has been performance-based to focus on achieving the targets set by the Board, at the same time balancing to avoid excessive risk-taking. To encourage share ownership in Enento, shareholding guidelines for the CEO have been in place to further align long-term shareholder interests with the CEO’s and other top executives’ interests.

Enento Group Plc's CEO Jukka Ruuska has on 21 April 2021 given notice of his resignation from the company and continued his position until 31 October 2021. Enento Group's Board of Directors appointed Elina Stråhlman, the Group's CFO, as an acting CEO (Interim CEO) for the interim period from 1 November 2021 to 31 December 2021.

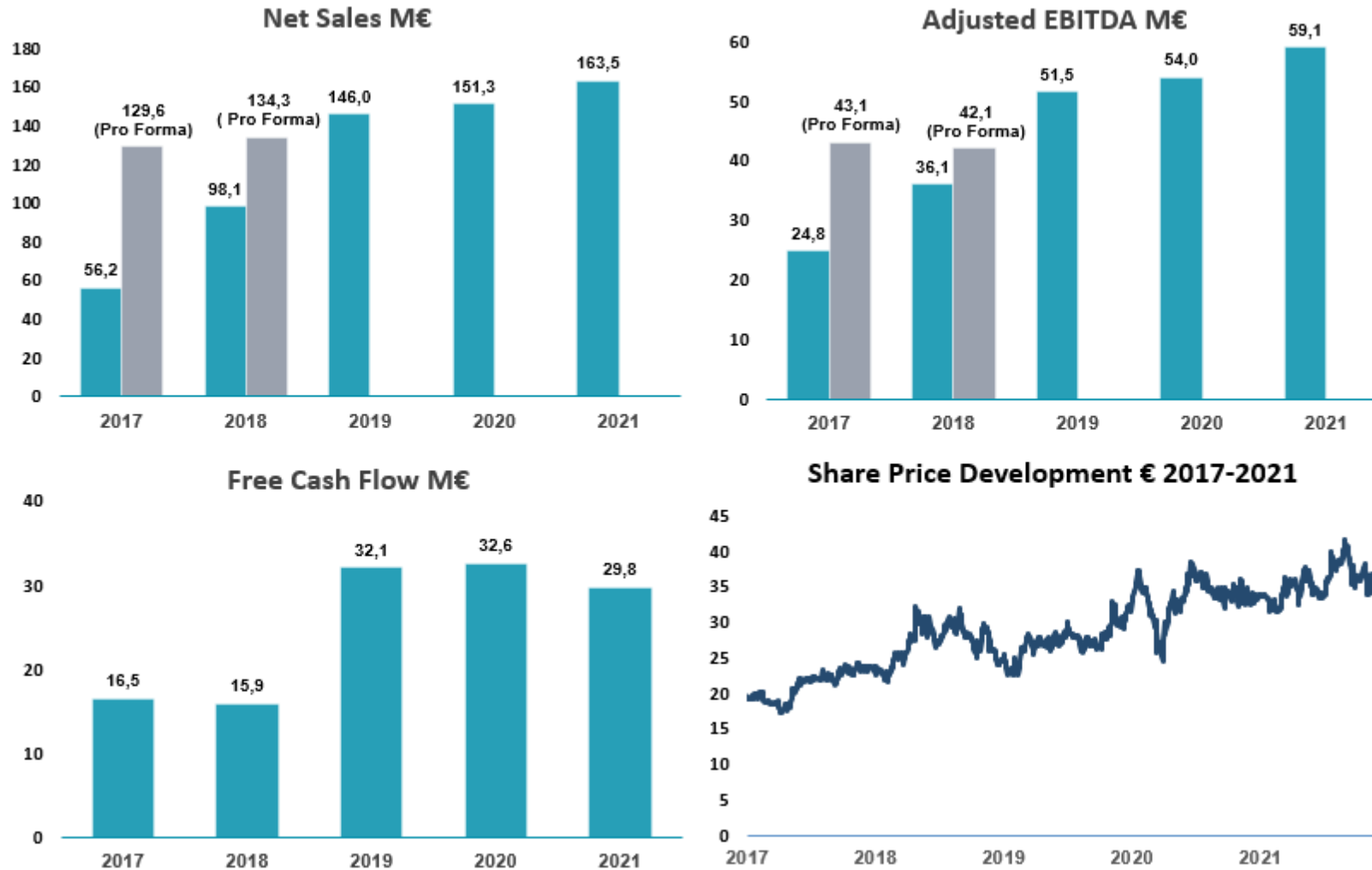
In 2021, we had a short-term incentive plan (STI) 2021 and two long-term incentive plans (Performance Share Plan 2020-2022, Performance Share Plan 2021-2023) in place for both the CEO and the Interim CEO. The outcome of the STI 2021 criteria was close to the set target level, which reflects the fulfilment of our growth expectations in the middle of continued exceptional circumstances. The rewards for the STI 2021 will be paid in March 2022. Potential reward of Performance Share Plan 2020-2022 is paid in early 2023 and potential reward of Performance Share Plan 2021-2023 will be paid in the early 2024. Application of performance criteria is described in more detail in section "Remuneration of the CEO and Interim CEO".

Paid remuneration to the CEO in total in 2021, including fixed salary, STI based on 2020, Performance Share Plan 2018-2020, and additional pension contribution was 634 902€.

Paid remuneration to the Interim CEO during the time of serving as the Interim CEO in 2021, including fixed salary was 40 040€.

Development of Financial Performance and Remuneration

5-year Development of Financial Performance



¹ In addition, 4.7€ per share have been distributed as dividends during 2017-2021

5-year Development of Remuneration

DEVELOPMENT OF PAID CEO REMUNERATION

| | 2017 | 2018 | 2019 | 2020 | 2021* |
|----------------------------|----------------|----------------|------------------|----------------|----------------|
| BASE SALARY | 236 000 | 242 000 | 259 000 | 264 000 | 266 750 |
| SHORT-TERM INCENTIVE (STI) | 189 000 | 188 000 | 104 000 | 165 000 | 68 486 |
| LONG-TERM INCENTIVE (LTI) | 0 | 489 000 | 718 000 | 134 000 | 331 206 |
| ADDITIONAL PENSION | 9 000 | 9 000 | 9 000 | 9 000 | 8 500 |
| TOTAL REMUNERATION | 434 000 | 928 000 | 1 089 000 | 572 000 | 674 942 |

DEVELOPMENT:

| | | | | | |
|--------------------|------|-------|------|-------|------|
| BASE SALARY | 5 % | 3 % | 7 % | 2 % | 1 % |
| TOTAL REMUNERATION | 24 % | 114 % | 17 % | -48 % | 18 % |

DEVELOPMENT OF BOARD REMUNERATION

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|-------------------------|--------|--------|--------|--------|--------|
| CHAIRPERSON ANNUAL FEE | 40 000 | 40 000 | 50 000 | 51 000 | 52 000 |
| DEVELOPMENT | 0 % | 0 % | 25 % | 2 % | 2 % |
| BOARD MEMBER ANNUAL FEE | 25 000 | 25 000 | 35 000 | 36 000 | 36 750 |
| DEVELOPMENT | 0 % | 0 % | 40 % | 3 % | 2 % |

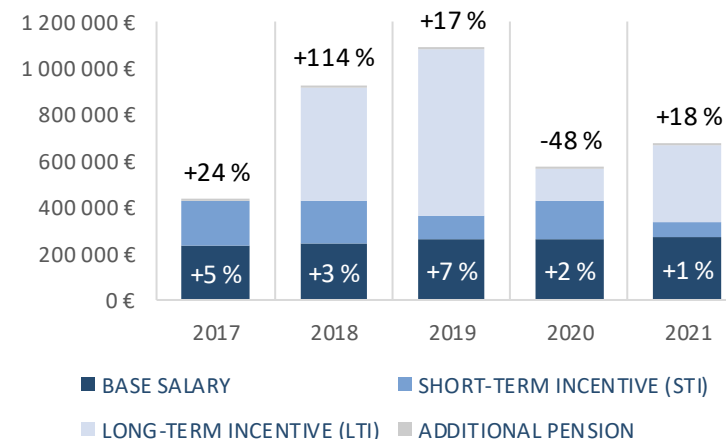
DEVELOPMENT OF AVERAGE EMPLOYEE SALARY

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|------|--------|-------|--------|-------|
| DEVELOPMENT OF AVERAGE SALARY PER EMPLOYEE** | NA | -8.8 % | 7.4 % | -1.3 % | 7.5 % |

*Of the amount in 2021, fixed remuneration for Interim CEO between 1.11. – 31.12.2021 was 40 040€.

**NOTE: Employee salary development is calculated as all salaries, wages and incentives in euros, excluding Long-Term Incentive and Board fees, and social security expenses. Development for 2017 before merger is not comparable and for that reason not disclosed.

DEVELOPMENT OF PAID CEO REMUNERATION



The Graph presents remuneration paid to the CEO in the corresponding financial year. For example in 2021:

- Base Salaries 1-12/2021.
- Short-Term Incentive earned in 2020 and paid in 2021.
- Additional Pension payment in 2021.

Remuneration of the Board of Directors in 2021

Enento Board Remuneration paid in 2021:

| Director | Fixed Fees | Meeting Fees | Total |
|----------------------------------|------------|--------------|----------|
| Patrick Lapveteläinen (Chairman) | 51 000 € | 4 000 € | 55 000 € |
| Petri Carpén | 36 000 € | 6 500 € | 42 500 € |
| Martin Johansson | 36 000 € | 6 000 € | 42 000 € |
| Tiina Kuusisto | 36 000 € | 4 000 € | 40 000 € |
| Carl-Magnus Månsson | 36 000 € | 6 000 € | 42 000 € |
| Minna Parhiala | 36 000 € | 4 000 € | 40 000 € |

Shareholders resolved on the Board Remuneration in the Annual General Meeting of 2021 as follows:

Annual Fees

- EUR 52,000 to Chairman and
- EUR 36,750 to members.

Attendance Fees

- EUR 500 per Board meeting;
- EUR 500 per Committee meeting for Committee Chairperson
- EUR 400 per Committee meeting for Committee member

Remuneration of the CEO and Interim CEO

Application of Performance Criteria in 2021

In 2021, the CEO was offered two new performance-based incentive plans: short-term incentive (STI) 2021 and a share-based long-term incentive plan, Performance Share Plan (PSP) 2021-2023. In line with the Remuneration Policy, the reward opportunity was balanced to focus on both long-term value creation and efficient achievement of short-term goals. The STI and LTI performance criteria for 2021 and maximum earning opportunities were set by the Board in December 2020 and early 2021.

For STI 2021, Net sales and Adjusted EBITDA development were selected as performance criteria together with a discretionary component based on Board's assessment of CEO's performance on strategic and/or organizational objectives, and the maximum earning opportunity for the CEO was set at 100% of annual fixed salary. Interim CEO's performance criteria and maximum earning opportunity were based on her position as the Chief Financial Officer and are thus not disclosed.

For PSP 2021-2023, Adjusted EBITDA and Total Shareholder Return (TSR) were selected as performance criteria which are measured for the 3-year period 2021-2023.

Outcome for the CEO

The total outcome from the STI was 47% of the maximum and it will be paid in 2022.

The outcome of PSP 2020-2022 and PSP 2021-2023 will be zero due to the CEO's resignation.

Outcome for the Interim CEO

The total outcome from the STI was 29% of the maximum and it will be paid in 2022.

Share-Based Incentives

Enento's long-term remuneration consists of Performance Share Plans ("PSP"), which offer the Group's management an opportunity to receive Enento shares as long-term incentives for achieving performance targets set by the Board. The purpose of the PSPs is to encourage the executives and the selected key employees to work on a long-term basis to achieve strategic goals, increase shareholder value and to retain the selected persons in the company.

The Board decides annually on commencement, conditions and performance criteria of new plans. The maximum reward potential for a Performance Share Plan is expressed as a number of shares and defined annually by the Board at the beginning of each plan period. The total vesting time for each plan is minimum 3 years, and the share delivery is conditional upon continued employment until the moment of transferring the shares, or a good leaver ground. The possible reward is paid as a combination of shares and cash. The cash component is intended to cover the taxes and tax-related costs related to the reward.

Shares received by the CEO under the PSP are subject to shareholding requirement that is determined by the Board. Until the required shareholding level is achieved, the CEO is required to hold, and not to sell, all the shares received as a reward.

Summary of Granted, Earned and Paid Share-Based Incentives to the CEO in Connection to the Reporting Period

| Plan | Granted | Performance Conditions | Maximum Reward Shares (gross, incl. cash portion) | Achieved Reward, % of maximum | Gross Shares Earned | Net Shares Paid | Delivery Time |
|--------------------------|--------------------------------|---|---|-------------------------------|---------------------|-----------------|---------------|
| Share Matching 2018-2019 | 31 st August 2018 | Share investment or share ownership | 4 400 | 100% | 4 400 | 2 112 | Spring 2020 |
| PSP 2018-2020 | 31 st August 2018 | Total Shareholder Return 2018-2020, Adjusted EBITDA 2020 | 39 600 | 26% | 10 304 | 4 740 | Spring 2021 |
| PSP 2020-2022 | 19 th December 2019 | Total Shareholder Return 2020-2022, Adjusted EBITDA 2020-2022 | 12 000 | 0 | 0 | 0 | Spring 2023 |
| PSP 2021-2023 | In early 2021 | Total Shareholder Return 2021-2023, Adjusted EBITDA 2021-2023 | 12 000 | 0 | 0 | 0 | Spring 2024 |

Summary of Granted, Earned and Paid Share-Based Incentives to the Interim CEO in Connection to the Reporting Period

No share-based incentives were granted, earned, or paid to the Interim CEO during 1 November – 31 December 2021, in which she served as the Interim CEO.

Remuneration of the CEO in 2021

The below tables show paid remuneration to the CEO in 2021, as well as earned remuneration based on the year 2021, which is to be paid in 2022. Of the remuneration paid in 2021, 41% was fixed and 59% was variable.

| | | Paid variable remuneration in 2021 (earned in 2020) | | | Earned variable remuneration in 2021 (to be paid in 2022) | | |
|------------------------------------|---------------------------------|--|----------------------------------|--|--|------------------------------------|--|
| Base Salary + benefits 2021 | Additional Pension Payment 2021 | Paid Short-Term Incentive 2021 | Paid Long-Term Incentive in 2021 | Total Paid Variable Remuneration in 2021 | Earned Short-Term Incentive in 2021 | Earned Long-Term Incentive in 2021 | Total Earned Variable Remuneration in 2021 |
| 226 710 € | 8 500 € | 68 486 € | 331 200 € | 399 692 € | 98 524 € | 0 € | 98 524 € |

Remuneration of the Interim CEO in 2021

The below tables show paid remuneration to the Interim CEO in November-December 2021, as well as proportional earned remuneration based on the year 2021, which is to be paid in 2022.

| | | Paid variable remuneration in 2021 (earned in 2020) | | | Earned variable remuneration in 2021 (to be paid in 2022**) | | |
|--|---------------------------------|--|----------------------------------|--|--|--|--|
| Base Salary + benefits 11-12/2021 | Additional Pension Payment 2021 | Paid Short-Term Incentive 2021 | Paid Long-Term Incentive in 2021 | Total Paid Variable Remuneration in 2021 | Earned Short-Term Incentive in 11-12/2021 | Earned Long-Term Incentive in 11-12/2021 | Total Earned Variable Remuneration in 11-12/2021 |
| 40 040 € | - | n.a.* | n.a.* | n.a.* | 5 720 € | 0 € | 5 720 € |

* not reported: not acting as the Interim CEO when the event occurred.

** Earned amounts are calculated proportionally to reflect the time of the year served as Interim CEO.