

ROBIT PLC REMUNERATION REPORT 2022

Robit Plc adheres to the Securities Market Association's Corporate Governance Code for listed companies, which is available on the Securities Market Association's website at <https://cgfinland.fi/en/>.

This Remuneration Report has been prepared in accordance with the recommendation of the Corporate Governance Code with effect from 1 January 2020.

1. INTRODUCTION

A key principle of Robit Plc's remuneration policy is to support Robit Plc's long-term financial success. Its aim is to ensure the long-term common aims of the company and its shareholders by hiring, committing and encouraging the senior management to implement Robit Plc's strategy.

The remuneration policy was followed during the financial year.

The table below presents the evolution of the remuneration of the Board of Directors and the CEO and the evolution of the average remuneration of the company's employees over five financial years.

EUR thousand	2018	2019	2020	2021	2022
Board fees 1)					
- Chairman of the Board	45	45	35	45	50
- Board member	30	30	30	30	30
CEO'S remuneration 2)	289	203	213	217	282
- Tommi Lehtonen until 15 March 2022					125
- Arto Halonen as of 15 March 2022					157
Wages and salaries on average per employee 3)	52	53	51	51	53
Income	82,683	86,482	91,631	100,755	111,962
Profit/loss for the period	-31,384	-7,265	-2,894	886	885

1) amounts do not include meeting fees

2) amounts do not include supplementary pension contributions

3) total personnel costs excluding add-on and pension costs divided by the average number of personnel during the year

2. REMUNERATION OF THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR

The Annual General Meeting decides in advance on the remuneration of the Board members for one year at a time. The Nomination Committee prepares a draft of fees for the Annual General Meeting. On 22 March 2022, the Annual General Meeting of Robit Plc decided on the remuneration of the members of the Board of Directors as follows:

The annual remuneration for the Chairman of the Board was EUR 50,000 and the annual remuneration for a Board member was EUR 30,000. Forty per cent of the remuneration was paid in shares, and the remaining 60% was an advance tax withheld and paid to the Finnish Tax Administration by the company. Board members were also paid a meeting fee of EUR 500 per meeting. Meeting fees were paid in cash for meetings of the Board and its committees. Compensation for expenses was paid in accordance with the company's current travel regulations. Members of the Board are not covered by share-based incentive schemes and do not have pension agreements with the company. Robit Plc's shares received as remuneration are not subject to any restrictions or ownership obligations imposed by the company.

A total of 31,873 shares were transferred to the members of the Board of Directors of Robit Plc as Board fees in 2022. Members of the Board are not in an employment or service relationship with the company. The shares transferred as Board fees included 7,968 shares to Harri Sjöholm and 4,781 shares each to Kim Gran, Anne Leskelä, Mikko Kuitunen, Markku Teräsvasara and Eeva-Liisa Virkkunen.

Annual and meeting fees were paid to the members of the Board of Directors in the financial years 2022 and 2021 as follows:

EUR thousand	1 January 2021–31 December 2021			1 January 2022–31 December 2022		
	Annual fee	Meeting fees	Total	Annual fee	Meeting fees	Total
Harri Sjöholm	45	15	60	50	10	60
Anne Leskelä	30	12	42	30	13	43
Mammu Kaario	30	12	42		4	4
Kim Gran	30	11	41	30	10	40
Kalle Reponen	30	12	42		4	4
Mikko Kuitunen	30	8	39	30	9	39
Markku Teräsvasara				30	6	36
Eeva-Liisa Virkkunen				30	10	40
Total	195	70	265	200	66	266

No other financial benefits were paid.

3. CEO'S REMUNERATION

The Board of Directors decides on the CEO's salary, bonuses and other benefits. The CEO has a written CEO's service contract under which the fixed remuneration is the monthly basic salary, including benefits in kind. In addition, the CEO's remuneration includes a short-term and long-term variable component and a contributory supplementary pension benefit. A part of the fixed salary is paid as Robit Plc's shares within the framework of the authorisation given to the Board of Directors by the General Meeting of Robit Plc. In addition to the above, the remuneration package includes employee benefits in accordance with the company's current policy (e.g., telephone benefit, sports benefit and travel, accident and medical expense insurance).

The objectives of the short-term variable compensation scheme are defined by the Board of Directors for each earning period (typically a calendar year). The objectives are based on Robit Plc's financial and/or other operational objectives such as to promote the company's business and financial success.

In 2022, the CEO's short-term incentive was based on financial profitability (65% weighting) and income in a particular focus area (35% weighting). The potential incentive amounted to a maximum of four months' cash salary of the CEO. The Board of Directors evaluates the achievement of the objectives after the end of the earning period. In 2022, the minimum performance level was exceeded, and the CEO's bonus for 2022 under the short-term incentive scheme was nearly EUR 29,000, which is 45% of the maximum bonus.

CEO Arto Halonen is part of Robit Group's long-term incentive schemes 2020–2022, 2021–2023 and 2022–2024.

The incentive scheme 2020–2022 covers the calendar years 2020–2022. The scheme has three elements: own investment of the key personnel in Robit shares (base share plan), reward shares by the company (matching share plan) and a performance-based additional share plan (performance matching plan). In the matching share plan, key personnel will receive one matching share for each invested share. In the performance matching plan, key personnel will receive a maximum of three performance matching shares, provided that the performance targets set by Robit Plc's Board of Directors for the plan are achieved. The basis for earning additional performance matching shares was the company's income in 2022. The income set as the basis for earning performance matching shares was not achieved in 2022, so no performance matching shares will be paid. Matching shares will be paid by the end of April 2023. The shares will be subject to a transfer restriction for a period of one year following the time of transfer.

The incentive scheme 2021–2023 comprises two earning periods, the year 2021 and the years 2022–2023. The reward for the first earning period is based on the company's predetermined EBITDA target in the financial statements for 2021. The reward for the second earning period is determined on the basis of a multiplier

calculated based on the achievement of the target set for the earning period and the achievement of the target for the first earning period. The target is the company's predetermined average earnings per share in the financial statements for 2022 and 2023. The share scheme's potential reward for both earning periods will be paid in May 2024. There is no restriction on the transfer of the shares after the transfer.

The incentive scheme 2022–2024 comprises two earning periods, the year 2022 and the years 2023–2024. The reward for the first earning period is based on the company's predetermined cash flow target in the financial statements for 2022. In addition, a reward equal to 10,000 gross shares will be paid to the CEO for the first earning period. The reward for the second earning period is determined on the basis of a multiplier calculated based on the achievement of the target set for the earning period and the achievement of the target for the first earning period. The target is the company's predetermined average earnings per share in the financial statements for 2023 and 2024. The share scheme's reward for both earning periods will be paid in May 2025. There is no restriction on the transfer of the shares after the transfer.

In the financial year 2022, salaries, bonuses and other benefits totalling EUR 76,000 were paid to CEO Tommi Lehtonen. In addition, he was paid EUR 49,000 in severance pay on the basis of the CEO's service contract.

In the financial year 2022, salaries, bonuses and other benefits totalling EUR 146,000 were paid to CEO Arto Halonen. In addition, during the financial year, shares worth EUR 11,000, i.e. a total of 4,283 shares, were transferred to him based on the fixed remuneration agreed in the CEO's service contract.

In addition, a contribution of EUR 8,000 related to the CEO's voluntary supplementary pension was paid to both the previous CEO Tommi Lehtonen and the current CEO Arto Halonen.

In the financial years 2022 and 2021, salaries, bonuses and other benefits were paid to the CEO as follows:

EUR thousand 1)	2021	2022 Tommi Lehtonen until 15 March 2022	2022 Arto Halonen as of 15 March 2022
Fixed salary	177	41	146
Benefits in kind	12	3	0
Part paid in shares in EUR	12	0	11
Severance pay	0	49	0
Total	201	93	157
Short-term incentive bonus	0	32	0
Long-term incentive bonus	16	0	0
Total	217	125	157
Fixed part of total remuneration	93%	75%	100%
Share of the variable pay component of total remuneration	7%	25%	0%
Supplementary pension contribution	8	8	8

1) amounts shown in the table by payment

The CEO's period of notice is defined in the contract as six months on both sides if the contract is terminated. If the company terminates the CEO's contract, the CEO will also be compensated with an amount equal to three months' gross total pay.