



REMUNERATION REPORT
DIGITALIST GROUP PLC 2023

Remuneration Report 2023

1. Introduction

The Board of Directors of Digitalist has approved Remuneration Policy at its General Meeting in 2020. The Remuneration Policy describes Digitalist's remuneration of the Board of Directors and the CEO. This Remuneration Report complies with the recommendations of the Finnish Corporate Governance Code for listed companies and the Shareholders' Rights Directive legislation and describes how the Remuneration Policy has been implemented over the preceding financial year.

The Remuneration Report discloses the remuneration of the Board of Directors and the CEO in 2023 and compares the development of the average remuneration of Digitalist's employees and of the Company's financial performance to the development of the fees paid to the Company's governing bodies.

Digitalist's remuneration supports reaching the strategic objectives of the company by aligning the interests of the key employees with the interests of the shareholders. The executive remuneration of Digitalist is designed to support the business objectives of the company and its financial success in the long term and advance profitability and sustainable growth.

Digitalist strives for transparency and consistency in rewarding. Remuneration across the company, at employee and executive level, is reviewed regularly to secure its fairness and competitiveness in the context of the market.

Deviations from the Remuneration Policy and exercise of Clawback

The Company has not exercised the right to deviate from the Remuneration Policy in 2023 nor exercised the option of clawback of remuneration.

Development of remuneration and fees

Below is a comparable description of the development of the fees paid to the Board of Directors and CEO during the preceding two financial years in relation to the remuneration of employees and the financial performance of the Company. The numbers are presented only for the last two preceding financial years due to comparability.

€000	2023	2022	Change 2022-2023
Board of Director's pay ¹	217	209	4%
CEO pay ²	123	123	0%
Employee salaries incl. social costs (average) ³	88	86	2%
Revenue	16 681	18 563	-10%
EBITDA	-861	-2 786	69%

¹ The total fees paid to the Board of Directors.

² The total remuneration paid to the CEO.

³ Personnel salaries including social security expenses according to the company's financial statements divided by the average number of employees.

2. Remuneration of the Board of Directors

Digitalist's Annual General Meeting decides on the remuneration of the Board of Directors. The compensation of the Board of Directors consists of an annual fee and attendance fees. The amount of the annual fee set varies based on the position in the Board and Committees. In the Annual General Meeting of the company on 26.4.2023, it was resolved to pay the remunerations to the members of the Board of Directors according to the same principles as previous year:

	Fee, EUR
Annual fee of the Chair of the Board	40,000
Annual fee of the Deputy Chair of the Board	30,000
Annual fee of the Board member	20,000
Board or Committee Chair meeting fee	500/meeting
Board or Committee member meeting fee	250/meeting

During the accounting period 2023, the Board of Directors had 6 members and convened 13 times. In its organizing meeting, the Board of Directors of Digitalist Group Plc resolved to establish an Audit Committee. Esa Matikainen was elected as a chairman and Peter Eriksson and Maria Olofsson as members of the Audit Committee. The Audit Committee convened 45 times. The fees to the Board were paid fully in cash once a quarter. There are no additional financial benefits paid to the Board members in 2023. The payments made in 2023 are described in the table below.

All fees paid to the Company's Board of Directors are made within the framework of the effective Remuneration Policy for governing bodies presented to the Annual General Meeting.

	Paid in 2023			Total, EUR
	Annual fee, EUR	Meeting fees, EUR	Committee Meeting fees, EUR	
Esa Matikainen Chair of the Board	40 000	6 000	23 000	69 000
Andreas Rosenlew Deputy Chair of the Board	30 000	3 000		33 000
Paul Ehrnrooth Member	20 000	3 000		23 000
Peter Eriksson Member	20 000	3 000	10 625	33 625
Maria Olofsson Member	20 000	3 000	11 000	34 000
Johan Almquist Member	20 000	4 000		24 000
Total	150 000	22 000	44 625	216 625

The Board Member Remuneration based on employment relationship

Andreas Rosenlew, who acted as Deputy Chair of board, had an employment relationship with the company until 30.6.2022. The employment-based remuneration consists of base salary and option scheme. In 2022 his base salary was EUR 114 354. In 2021 he was granted option rights from the option scheme 2021. The granted option rights totaled to 2 050 000 based on series 2021A1 and 2021A2. The option rights expired when the employment contract was terminated. After the termination of the employment contract his consulting company was paid EUR 95 652 for the sales and marketing consultation in 2022. In 2023 his consulting company was paid EUR 180 226.

3. Remuneration of the CEO

The main components of the CEO's total remuneration are fixed base salary and short- and long-term incentives. CEO remuneration has complied with the valid remuneration policy.

CEO Magnus Leijonborg's remuneration in 2023:

Element	Paid fees in 2023	Fees due in 2024
Base salary	123 300	-
Fringe benefits	-	-
Supplementary pension	29 800	-
LTI: Option scheme 2019 <i>Option rights</i>	651 000, option scheme abolished 25.1.2021	
LTI: Option scheme 2021 <i>Option rights</i>	3 650 000	

Short-term incentive (STI)

The goal of the bonus model is to incentivize the executives to support the strategic objectives of the company. The bonus model, criteria and target levels will be decided yearly. The annual bonus performance and achievement of targets set by the Board of Directors will be evaluated yearly, and the amount of annual bonus will be determined based on the extent to which the targets have been met during the period. The payout frequency will be decided annually. The annual bonus model of the company will be based on specific and measurable performance criteria, which may be both financial and non-financial.

The Board of Directors can use their judgement in paying incentives, and in special cases a Discretionary bonus may be paid to the CEO. The payment of the Discretionary bonus is not tied to the measures of the regular STI plan but rather, to exceptional performance. The Discretionary bonus has been set in place temporarily to promote reaching company targets and profitability.

The performance-related bonus to be paid to the Chief Executive Officer is based on Digitalist Group's profitability measured by EBITDA.

In 2023 there was no STI payment made for the CEO.

Long-term incentive (LTI)

Long-term incentives are a part of Digitalist's key employee incentive and retention program to support the company's strategy. The aim of the LTI plan is to improve the long-term value of the company and to create alignment to ensure that the whole company shares that same goal. The Board of Directors decides on the terms and conditions for the incentive plans.

The CEO's long-term bonus scheme consisted of option rights forming part of the Company's option schemes. In 2023 the CEO held option rights from option scheme 2019. The granted option rights totaled to 651 000 based on series 2019A1 and 2019A2. In 2023 the CEO held option rights from option scheme 2021. The granted option rights totaled to 3 650 000 based on series 2021A1 and 2021A2.

CEO Magnus Leijonborg's pension scheme

Pension accumulation and retirement age of the CEO is determined by the terms of the applicable law in Sweden. Pension payment for the CEO is based on the Swedish regulations. The company has also taken out a voluntary unit-linked pension insurance for the CEO, for which company annually pays EUR 29 800.

CEO Magnus Leijonborg's conditions for termination

The CEO's period of notice is six months upon termination by the company and six months upon termination by the CEO.