

REMUNERATION REPORT 2022 FOR GOVERNING BODIES

INTRODUCTION

This Remuneration Report 2022 for governing bodies describes the remuneration of the Aspocomp Group Plc's Board of Directors and the CEO and the CEO's deputy from January 1 to December 31, 2022. The Remuneration Report 2022 for governing bodies has been prepared in accordance with the guidelines for remuneration of the Finnish Corporate Governance Code 2020. The remuneration of governing bodies in 2022 has been in alignment with the company's Remuneration Policy for governing bodies, which was discussed and approved as such at the Annual General Meeting 2020. The Remuneration Policy will be applied until the Annual General Meeting in 2024, unless the Board decides to bring it to the General Meeting earlier. Aspocomp's Board of Directors has monitored the implementation of the Remuneration Policy and has approved this Remuneration Report 2022 for governing bodies to be presented to the company's Annual General Meeting 2023, where the shareholders will make an advisory decision on the report.

Remuneration for Aspocomp's governing bodies is based on the company's employee remuneration policy, which aims to encourage good performance and motivate long-term work to achieve the company's goals. Remuneration is based on the job's demand level, personal effectiveness, and performance as well as the market situation. The purpose of the company's remuneration for governing bodies is to contribute to the long-term interests of both the company and its shareholders and the business strategy of the company as well as to promote the long-term financial success of the company.

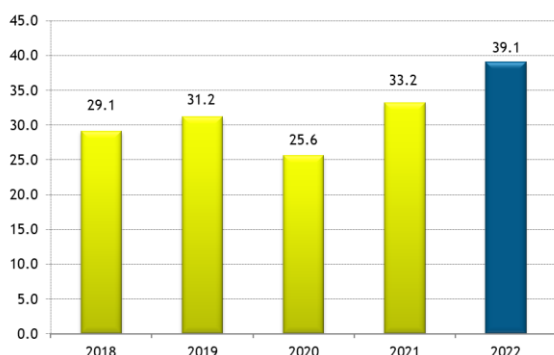
All rewards have been paid by Aspocomp Group Plc. During 2022, the company did not exercise any of its rights to modify, cancel or reclaim any paid rewards.

Development of Aspocomp's financial performance and remuneration in 2018-2022

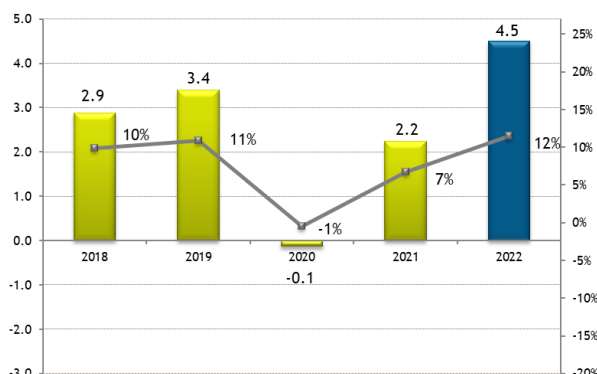
Aspocomp Group Plc's net sales and profitability grew steadily during the past five years, with the exception of 2020, when the COVID-19 pandemic, the associated restrictions and the weakened economy had a broad impact on the supply chains of the electronics industry and on customer orders. At the beginning of 2021, the company returned to its growth track. 2022 was the best financial year in the history of Aspocomp in its current form.

Development of financial performance

Net sales



Operating profit



Development of remuneration

EUR	2022	2021	2020	2019	2018
Chairman of the Board	42,000	39,000	37,000	38,000	38,000
Vice chairman of the Board	26,000	24,500	24,500	24,500	25,000
Other members of the Board on average	21,000	19,000	15,166	19,333	19,500
President and CEO					
salaries and fringe benefits	292,002	241,379	295,700	352,035	241,885
options *	0	0	335,400	0	0
Average Aspocomp employee **	52,625	51,051	45,291	49,275	52,864

Both the Board's annual fees and the meeting fees per attended meeting have remained the same as of 2018. The change in total remuneration is due to variation in the number of meetings and the meeting fees of the Audit Committee.

* CEO's Stock Option plan 2014. The share subscription periods of the Stock Option plan ended on April 30, 2020.

** The salary development of Aspocomp's average employee is calculated from personnel expenses by deducting other personnel side expenses from the total and dividing it by the average number of employees during the year.

REMUNERATION OF THE BOARD OF DIRECTORS IN 2022

The Annual General Meeting of Aspocomp Group Plc held on April 26, 2022, decided that the Chairman of the Board will be paid EUR 30,000, the Vice Chairman will be paid EUR 20,000 and the other members will be paid EUR 15,000 each in remuneration for their term of office. The Annual General Meeting further decided that EUR 1,000 will be paid as remuneration per meeting to the Chairman and that the other members be paid EUR 500 per meeting of the Board and its committees. In addition, the members of the Board of Directors will be reimbursed for reasonable travel costs. At its organization meeting held after the Annual General Meeting, the Board of Directors re-elected Päivi Marttila as the Chairman of the Board. Kaarina Muurinen was re-elected as the Vice Chairman.

Both the Board's annual fees and the meeting fees per attended meeting have remained the same as of 2018.

No remuneration has been paid to the Board of Directors for the financial year 2022 in the form of shares; instead, all remunerations have been paid in money. The members of the Board have not received other financial benefits and are not covered by the company's incentive schemes. The Board members are not employed by the company.

Fees paid or due to Board of Directors in 2022

	EUR	Annual fee*	Meeting fees**	Total
Päivi Marttila, Chairman		30,000	12,000	42,000
Kaarina Muurinen, Vice Chairman		20,000	6,000	26,000
Jukka Huuskonen		15,000	6,000	21,000
Anssi Korhonen		15,000	6,000	21,000
Total, EUR		80,000	30,000	110,000

* Annual fees are paid in monthly instalments.

In 2022, annual fees corresponding to an eight-month period were paid to each current Board member, to a total of EUR 53,336. The amount corresponding to a four-month period of the annual fees for 2022 will be paid to each Board member during January-April 2023, totaling EUR 26,644.

Annual fees in 2021 corresponding to a four-month period were paid during January-April 2022 to the members elected at the 2021 Annual General Meeting, totaling EUR 26,664.

** All meeting-specific fees for the financial year 2022, totaling EUR 30,000, have been paid during the year 2022.

REMUNERATION OF THE CEO AND THE DEPUTY CEO IN 2022

Decisions concerning the remuneration of the CEO and the terms applicable to the service contract are made by Aspocomp's Board of Directors within the limits of the company's valid remuneration policy. Where applicable, the principles applicable to the CEO also apply to the Deputy CEO. However, with respect to the level and structure of the remuneration, the Board of Directors is not bound by the remuneration of the CEO when deciding on the remuneration of the Deputy CEO. In accordance with the company's Remuneration Policy for governing bodies, the remuneration of the President and CEO is based on the company's remuneration principles, where remuneration is based on the complexity of the position and personal performance. Remuneration of the Deputy CEO follows the same principles.

The remuneration of Mikko Montonen, President and CEO of Aspocomp Group Plc, consisted of a fixed monthly salary and customary fringe benefits (such as phone, meal, and car benefits). The President and CEO is covered by a long-term incentive bonus, i.e., performance-based share bonus for top management and selected key employees as well as by the company's Profit-Sharing plan for all employees which is approved yearly by the Board. The CEO does not have any different pension plans; instead, his retirement age is determined by the Employees Pensions Act (TyEL). If the CEO's contract is terminated by either the CEO or the company, the notice period is six months. In addition, severance pay amounting to his salary for six months shall be paid.

Mr. Antti Ojala, Chief Operating Officer serves as the Deputy CEO as his secondary job. As the role is a secondary job, the company does not pay a separate fee for it. Instead, his remuneration is based on his primary position as the Chief Operating Officer in the company's organization. The Deputy CEO's remuneration consists of a fixed salary and customary fringe benefits (such as phone, meal, and car benefits). He is also covered by a long-term incentive bonus, i.e., performance-based share bonus for top management and selected key employees as well as by the company's Profit-Sharing plan for all employees. In 2022, the company did not have a long-term incentive scheme in place for the Deputy CEO. The Deputy CEO does not have any different pension plans; instead, his retirement age is determined by the Employees Pensions Act (TyEL).

All financial benefits paid or due to the CEO and the Deputy CEO in 2022

	EUR 1,000	The President and CEO	The Deputy CEO
Salaries and benefits		292	148
Pension costs, defined contribution plans		42	26
Total		334	174

Share-based long-term incentive system

The Board of Directors of Aspocomp Group Plc decided on July 20, 2022, on the establishment of a share-based long-term incentive scheme for the company's top management and selected key employees. It comprises a Performance Share Plan (PSP). The objectives of the Performance Share Plan are to align the interests of Aspocomp's management with those of the company's shareholders and, thereby to promote shareholder value creation in the long term as well as to commit the management to achieving Aspocomp's strategic targets. The Performance Share Plan consists of annually commencing individual performance share plans. The commencement of each new plan is subject to a separate decision by Aspocomp's Board of Directors. Each plan comprises a performance period followed by the payment of the potential share rewards with listed shares of Aspocomp. The payment of the rewards is conditional on the achievement of the performance targets set by the Board of Directors for the respective plan.

The performance period of the first plan, PSP 2022-2024, covers the period from the beginning of July 2022 until the end of 2024. Eligible for participation in PSP 2022-2024 are approximately 20 individuals, including the members of Aspocomp's Management Team. The share rewards potentially payable thereunder will be paid during the first half of 2025. The performance measures based on which the potential share rewards under PSP 2022-2024 will be paid are cumulative EBIT and the total shareholder return of Aspocomp's share (absolute TSR). If all the performance targets set for the first plan, PSP 2022-2024, are fully achieved, the aggregate maximum number of shares to be paid as a reward based on this plan is approximately 92,000 shares (referring to gross earnings before the withholding of the applicable payroll tax).

Annual Profit-Sharing plan

The Profit-Sharing plan for all employees pays cash bonuses based on pre-set targets for net sales and operating income. The Board determines the targets and criteria for bonus payment annually.