

ROBIT PLC REMUNERATION REPORT 2023

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 was prepared in accordance with the recommendation of the Corporate Governance Code with effect from 1 January 2020, and is subject to an annual advisory vote at the company's Annual General Meeting.

Remarks on the Remuneration Report 2022

The Remuneration Report 2022 was presented at the Annual General Meeting on 15 March 2023. It was approved by a majority of shareholders in an advisory vote.

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 incentivising 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 Group's employees over five financial years.

EUR thousand	2019	2020	2021	2022	2023
Board fees 1)					
- Chairman of the Board	45	35	45	50	55
- Board member	30	30	30	30	30
CEO'S remuneration 2)	203	213	217	282	246
- Tommi Lehtonen until 15 March 2022				125	
- Arto Halonen as of 15 March 2022				157	
Wages and salaries on average per Group employee 3)	53	51	51	53	52
Income	86,482	91,631	100,755	111,962	92,917
Profit/loss for the period	-7,265	-2,894	886	885	-3,019

- 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 15 March 2023, 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 55,000 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. The meeting fee for a remote meeting of up to one hour was EUR 250 per meeting. Meeting fees for meetings of the Board and its committees were paid in cash. 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 60,294 shares were transferred to the members of the Board of Directors of Robit Plc as Board fees in 2023. Members of the Board are not in an employment or service relationship with the company. The shares transferred as Board fees included 16,174 shares to Markku Teräsvasara and 8,824 shares each to Lasse Aho, Anne Koutonen, Mikko Kuitunen, Harri Sjöholm and Eeva-Liisa Virkkunen.

Annual and meeting fees were paid to the members of the Board of Directors in the financial years 2022 and 2023 as follows:

EUR thousand	1 January 2022–31 December 2022			1 January 2023–31 December 2023		
	Annual fee	Meeting fees	Total	Annual fee	Meeting fees	Total
Markku Teräsvasara	30	6	36	55	13	68
Lasse Aho				30	11	41
Kim Gran	30	10	40		2	2
Anne Koutonen	30	13	43	30	12	42
Mikko Kuitunen	30	9	39	30	11	41
Harri Sjöholm	50	10	60	30	19	49
Eeva-Liisa Virkkunen	30	10	40	30	14	44
Mammu Kaario		4	4			
Kalle Reponen		4	4			
Total	200	66	266	205	82	287

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 in 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 2023, the CEO's short-term incentive was based on the company's income, financial profitability, working capital and safety objectives. The potential incentive amounted to a maximum of five months' cash salary of the CEO. The Board of Directors evaluates the achievement of the objectives after the end of the earning period. In 2023, the targets were not met, so the CEO's short-term incentive for 2023 will not be paid.

CEO Arto Halonen is part of Robit Group's long-term incentive schemes 2020–2022, 2021–2023, 2022–2024 and 2023–2025.

The incentive scheme 2020–2022 covered the calendar years 2020–2022. The scheme had three elements: own investment of 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 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 were paid. Matching shares were paid in 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 comprised two earning periods, the year 2021 and the years 2022–2023. The reward for the first earning period was based on the company's predetermined EBITDA target in the financial statements for 2021. The reward for the second earning period was 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 was the company's predetermined average earnings per share in the financial statements for 2022 and 2023. The target defined for the reward for the second earning period was not met, so only the reward achieved for the first earning period of the share scheme will be paid in May 2024. There is no restriction on the further 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 further transfer of the shares after the transfer.

The share scheme for the years 2023–2025 includes earning periods of one year and two years. The first earning period of the share scheme comprises the year 2023. The reward for the earning period 2023 is divided into a guaranteed part and a performance-based part. The guaranteed part is 50% of the base share allocation defined for the participant. The performance-based part of the share allocation is determined by a bonus coefficient based on the company's predetermined net cash flow from operating activities in the financial statements for 2023. The second earning period covers the years 2024–2025. The potential reward that may be paid under the share scheme for the two-year earning period is based on the company's predetermined average earnings per share in the financial statements for 2024 and 2025. The share scheme's potential reward for both earning periods will be paid in May 2026.

In the financial year 2023, CEO Arto Halonen was paid salaries, bonuses and other benefits totalling EUR 182,000. In addition, during the financial year, shares worth EUR 12,000, i.e. a total of 8,824 shares, were transferred to him as part of his salary based on the fixed remuneration agreed in the CEO's service contract. In 2022, he was paid a short-term incentive bonus of EUR 29,000. He was paid long-term incentive bonuses in the amount of EUR 22,000, which consisted of 5,000 bonus shares and a cash contribution of EUR 11,000 to the payment of taxes. In addition, a contribution of EUR 8,000 related to the CEO's voluntary supplementary pension was paid.

In the financial years 2023 and 2022, salaries, bonuses and other benefits were paid to the CEO as follows:

EUR thousand 1)	2022 Tommi Lehtonen until 15 March 2022	2022 Arto Halonen as of 15 March 2022	2023 Arto Halonen
Fixed salary	41	146	178
Benefits in kind	3	0	5
Part paid in shares in EUR	0	11	12
Severance pay	49	0	0
Total	93	157	195
Short-term incentive bonus	32	0	29
Long-term incentive bonus	0	0	22
Total	125	157	246
Fixed part of total remuneration	75%	100%	79%
Share of the variable pay component of total remuneration	25%	0%	21%
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 service contract, the CEO will also be compensated with an amount equal to three months' gross total pay.