

# Remuneration report 2023

Reka Industrial Plc



# 1. Introduction

This Remuneration Report for 2023 (Remuneration Report) describes the remuneration of the members of the Board of Directors and the Managing Director of Reka Industrial Plc (the company or Reka Industrial) in the financial year 2023.

The remuneration report has been prepared in accordance with the Finnish Limited Liability Companies Act, the Finnish Securities Markets Act, the remuneration policy of the share issuer and the Decree of the Ministry of Finance on the remuneration report and the Finnish Corporate Governance Code.

The Board of Directors has approved the Remuneration Report to be presented and approved at the 2024 Annual General Meeting. According to the Companies Act, the decision is advisory.

The Annual General Meeting on June 24, 2020 has approved the remuneration policy (Remuneration Policy). The remuneration policy is presented to the Annual General Meeting every four years unless an amended remuneration policy is presented to the Annual General Meeting before that.

The remuneration of the members of the Board of Directors and the Managing Director in the financial year 2023 was carried out in accordance with the approved Remuneration Policy. The company's remuneration policy for the Board of Directors states:

" The Annual General Meeting approves the Board of Directors remuneration for the Board of Directors work as a separate item on the agenda of the Annual General Meeting.

Due to Reka Industrial's ownership structure company's member of the Board of Directors can be member of the Board of Directors in subsidiaries and get compensation. In addition, the Board of Directors can decide of separate remuneration, when member of the Board of Directors is taking additional

measures and time for implementing company's important project (financing, acquisition, contract).

All remunerations paid are reported in the remuneration report. "

In 2023, the company's Annual General Meeting in May confirmed the remuneration of the Board of Directors until the next Annual General Meeting.

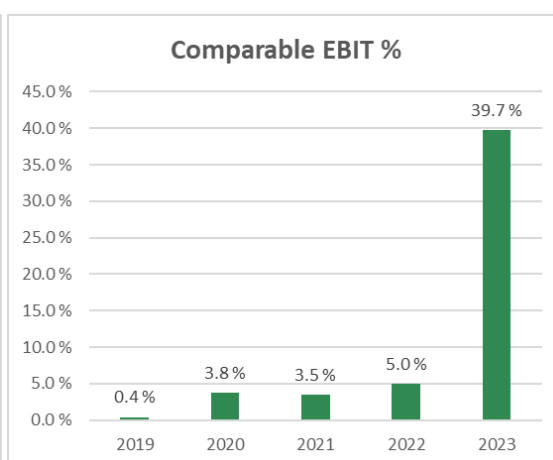
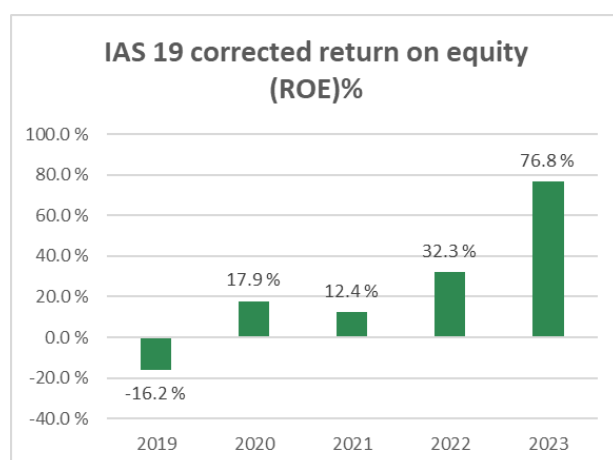
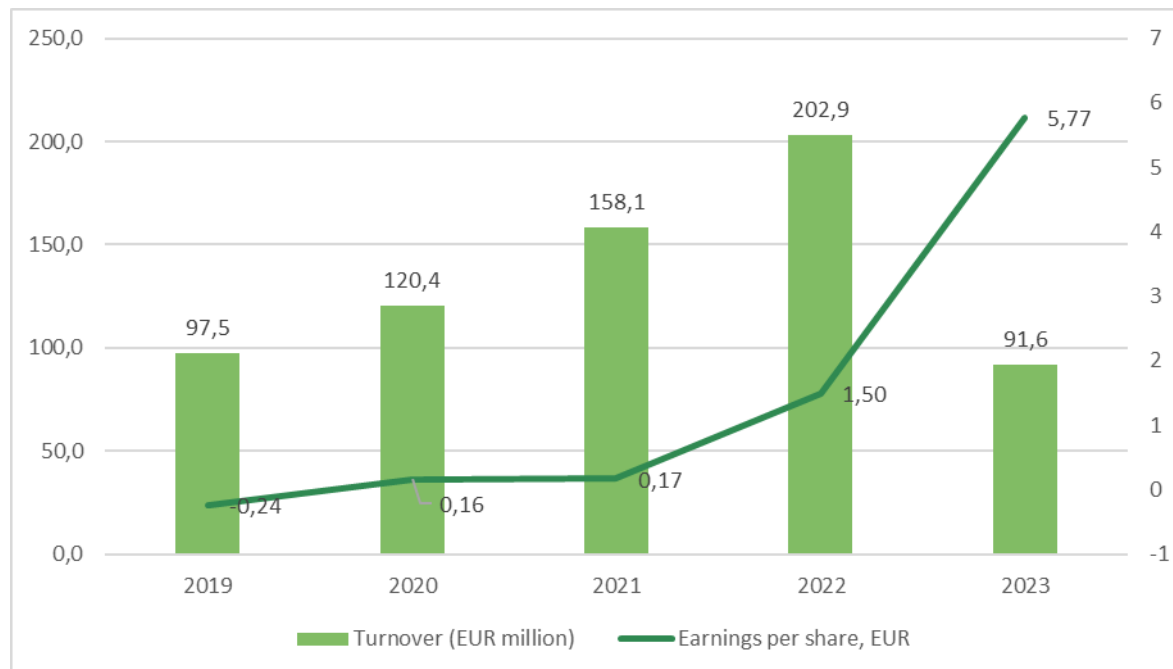
During the financial year 2023, no temporary deviations were made from the approved Remuneration Policy and no fees were recovered.

Remuneration should ensure the common long-term interests of the company and its shareholders and encourage and engage motivated and competent members of the organs to act in accordance with common goals. When deciding on the levels and structures of total remuneration, the Board takes into account the financial and operational results as well as non-financial Reka Industrial's long-term goals.

Managing Director's total remuneration consists of a fixed base salary with fringe benefits consist of a basic salary and variable incentives, i.e., performance-based remuneration. Managing Director's variable incentives include a three-year incentive plan (LTI) based on the company's long-term goals and an annual incentive plan (STI).

## 2. Development of financial performance and remuneration

### Company metrics



### Remuneration development of personnel

	2019	2020	2021	2022	2023
<b>Managing Director (EUR 1,000)</b>	404	439	414	503	701
<b>Reka Industrial's average employee (EUR 1,000)</b>	42	39	33	36	32

The remuneration of the average employee of the Reka Industrial Group has been calculated by dividing the personnel costs in the financial statements by the average number of employees for the financial year in question (excluding the remuneration of the Managing Director).



Remuneration of Reka Industrial's average employee includes the following components of personnel expenses: salaries and fees. Reka Rubber's personnel expenses have been taken into account as of July 1, 2020.

<b>Board of Directors, fees decided by the Annual General Meeting</b>	<b>2019</b>	<b>2020 until 24/11/2020</b>	<b>2020 Starting from 25/11/2020-</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Chairperson of the Board (EUR)</b>						
annual basic remuneration	12.500	12.500	25.000	32.000	32.000	50.000
meeting fee / per meeting	600	600	-	-	-	-
performance bonus, realized in the payment year (EUR)	0	12.225	-	-	-	-
<b>Vice Chairperson of the board (EUR)</b>						
annual basic remuneration	10.000	10.000	18.000	25.000	25.000	25.000
meeting fee / per meeting	600	600	-	-	-	-
performance bonus, realized in the payment year (EUR)	0	6.113	-	-	-	-
<b>Member of the Board (EUR)</b>						
annual basic remuneration	10.000	10.000	18.000	25.000	25.000	25.000
meeting fee / per meeting	600	600	-	-	-	-
performance bonus, realized in the payment year (EUR)	0	6.113	-	-	-	-
<b>Member of the Audit Committee/ Chairperson</b>						
annual basic remuneration (Starting from 25/11/2020)	-	-	2.500	2.500	2.500	2.500
meeting fee / per meeting (Until 24/11/2020)	600	600	-	-	-	-

Until the Extraordinary General Meeting in November 2020, the Board of Directors had a performance bonus scheme, which was tied to the development of the company's share price. The performance bonuses paid are presented in the table above by payment year.

As of the Extraordinary General Meeting in November 2020, the annual committee fee will be paid in addition to the basic annual fee of the Chairperson, Vice Chairperson or other members of the Board. The basic annual fee (12 months) and the committee fee (12 months) are determined annually at the Annual General Meeting.

According to remuneration policy a member of the Board of Directors can be member of the Board of Directors in subsidiaries and get compensation. In addition, the Board of Directors can decide of separate remuneration, when member of the Board of Directors is taking additional measures and time for implementing company's important project (financing, acquisition, contract). In 2023, member of the Board of Directors received a separate remuneration of EUR 100 thousand for his contribution to the negotiations and implementation of Reka Cables Ltd's corporate restructuring.

### 3. Remuneration of the board for the year 2023

The remuneration of Reka Industrial Plc's Board of Directors is not a calendar year. The remuneration levels decided by the previous Annual General Meeting will be followed until the next Annual General Meeting. The new remuneration levels will be applied from the decision of the new Annual General Meeting.

The annual remuneration is thus 12-month remuneration, but the remuneration level is not based on the calendar year. Circa 40 per cent of the annual remuneration will be paid with the shares of the company and the rest in cash.

If the Annual General Meeting is substantially postponed, the remuneration levels decided by the new Annual General Meeting will be complied with. from the date of the ordinary Annual General Meeting.

In 2021, the remuneration decided by the Extraordinary General Meeting held in November 2020 were paid until the Annual General Meeting of 2021 and thereafter in accordance with the remuneration level decided by the Annual General Meeting held on April 8, 2021.

The remuneration report presents the various remuneration items separately.

Travel and accommodation expenses for meetings were paid against invoices.

Based on their Board or committee membership, the members of the Board did not receive any financial benefits from the company other than those mentioned in this Remuneration Report.

#### In 2023:

Member of the Board	Annual basic remuneration	Annual committee remuneration	Meeting fee	Total
	Remuneration paid / due	Remuneration paid / due	Paid	
<b>Hyytiäinen Matti</b>	25.000 / -6.250	0	0	25.000
<b>Marttila Päivi</b>	25.000 / -6.250	0	0	25.000
<b>Raita Eeva</b>	25.000 / -6.250	0	0	20.000
<b>Rentto Markku E.</b>	25.000 / -6.250	0	100.000	125.000
<b>Saarinen Leena</b>	50.000 / -12.500	0	0	50.000
<b>Tolvanen Ville</b>	25.000 / -6.250	0	0	25.000
<b>Total</b>	175.000 / -43.750	0	100.000	275.000

## 4. Remuneration of the Chief Executive Officer

The Chief Executive Officer's (CEO) total remuneration consists of a fixed base salary with fringe benefits and variable incentives, i.e., performance-based remuneration. The CEO's variable incentives include an incentive scheme based on the company's long-term goals and an annual incentive scheme.

When deciding on the levels and structures of total remuneration, the Board takes into account the financial and operational results as well as Reka Industrial's long-term goals.

In long-term incentive plans, the vesting periods are at least three years. Each earning period may have one or more earning criteria. Based on started strategy work 2023 the LTI was not in use.

The Board of Directors clearly determines how each earning criterion is measured and the maximum reward at the same time as the target setting. No remuneration will be paid unless the minimum target set by the Board for the earnings criterion is reached.

### Remuneration of the CEO 2023:

Jukka Poutanen 1/1-26/4/2023		Remuneration due	
CEO (EUR 1,000)	Salary, remuneration and benefits paid during the financial year 2023	STI 2022	Remuneration from LTI
<b>Fixed basic salary</b>	100		
<b>Short-term incentive bonus</b>			
<b>Long-term incentive bonus</b>	328		
<b>Other financial benefits</b>	100		
<b>Total</b>	528	0	0
<b>Relative share of fixed and variable components</b>	19 % / 81 %		

The Managing Director of Reka Cables Ltd, Jukka Poutanen was also the Managing Director of Reka Industrial Group until 26 April 2023. Jukka Poutanen had written Managing Director contract with Reka Cables Ltd. In accordance with Managing Director contract the salary consisted of fixed basic salary and separate incentive bonus. In 2023, the paid long-term incentive bonus (LTI) was for 2020-2022. The Managing Director's pension was determined according to Finnish pension Act (TyEL). In addition, the Managing Director had separate health insurance. Reka Cables Ltd was not part of the Group since 26 April 2023. Upon termination of the Group's Managing Director Reka Industrial paid a remuneration of EUR 100 thousand, which is presented in other financial benefits. The Reka Cables' notice period for Managing Director's employment was 3 months and severance pay was the full salary of 9 months.



<b>Sari Tulander 11/5/2023 -</b>		<b>Remuneration due</b>	
<b>CEO (EUR 1,000)</b>	<b>Salary, remuneration and benefits paid during the financial year 2023</b>	<b>STI 2022</b>	<b>Remuneration from LTI</b>
<b>Fixed basic salary</b>	117		
<b>Short-term incentive bonus</b>			
<b>Long-term incentive bonus</b>			
<b>Other financial benefits</b>	41	15	
<b>Total</b>	158	15	0
<b>Relative share of fixed and variable components</b>	68 % / 32 %		

Sari Tulander was appointed as Group's President and CEO on 11 May 2023 and continued also as Group's CFO. Sari Tulander's salary consists of fixed basic salary and separate incentive bonus. The CEO did not have bonus contract in 2023. CEO received a separate remuneration of EUR 40.8 thousand for her contribution to the negotiations and implementation of Reka Cables Ltd's corporate restructuring.

The notice period on both sides is one month if Tulander continues as CFO after termination of CEO. If also the managing contract terminates, the notice period is 6 months for the company and 3 months for the CEO. If the company terminates the managing contract, Tulander is entitled to severance pay of 6 months' full salary according to original management contract. The CEO has no deviant pension plans.

No remuneration other than those shown in the tables above has been confirmed for the CEOs for the financial year 2023. Due to change of Managing Director and the Corporate sale of Reka Cables Ltd, there were no remuneration plans for 2023. In the end of financial year 2023, there were no due remunerations.

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