

**REMUNERATION OF NEOVA GROUP MANAGEMENT TEAM 2022
(EXCL. CEO)****Decision-making procedure concerning remuneration of Group Management Team**

Neova's Board of Directors decides on the basic salary and other benefits of the Group Management Team (other management) as well as their short-term and long-term incentive schemes based on a proposal issued by the Board's Personnel Committee.

Neova's Board of Directors approves the Remuneration Policy that defines key remuneration principles, among other things. The Remuneration Policy is subject to advisory vote by the Annual General Meeting.

Key remuneration principlesFixed Salary

The fixed salary of other management is defined as a total monthly salary that includes fringe benefits. They are also included in short-term and long-term incentive programs.

A fixed monthly salary refers to an individual's total monthly salary determined based on the level of competence required for the position as well as the individual's experience and performance.

Other management may be eligible for a car benefit, mobile phone benefit and medical insurance as part of their total remuneration.

In 2022 other management were paid in total 1 547 988 euros in fixed monthly salary and fringe benefits 53 608 euros, fixed salary totalling to 1 601 596 euros.

Variable pay

Neova's Board of Directors decides annually or within any other timeline as may be the case for any given program on the performance indicators and targets for the short-term and long-term incentive schemes of other management as may be relevant. They are aimed at supporting the achievement of the company's strategic targets, including sustainability.

The incentive bonuses are paid in cash in accordance with the payment schedule of the incentive program in question. The bonuses paid under the various incentive schemes cannot under any circumstances exceed 80 per cent of the fixed annual salary. Based on a proposal by the CEO, the Board of Directors decides on the achievement of the targets set relative to the performance indicators and the amount of remuneration.

Short-term variable pay and paid incentives in 2022

Short-term variable pay is based on the possibility of earning an annual incentive bonus. The amount of incentive pay depends on the achievement of the financial and operational targets set at the beginning of the financial year. The maximum incentive pay corresponds to 30 per cent of the annual salary for other management.

At least 70 per cent of the incentive pay is based on financial targets, such as EBITDA, and business related financial targets, and the remainder on operational targets and sustainability. Focus on Sustainability target in 2021 was in safety and selected key sustainability projects. The payment of incentive bonuses is also subject to the achievement of a certain minimum level in terms of the financial targets, which was exceeded in 2021. In 2022 average achievement of STI targets for other management was 22,9 per cent of annual fixed salary

Long-term variable pay and paid incentives in 2022

Long-term incentive scheme currently in force is a five-year plan 2019-2023, which consists of four two-year earnings periods (2019-2020, 2020-2021, 2021-2022, 2022-2023). The incentive scheme provides the participants with the opportunity to earn a monetary bonus for achieving earning criteria set separately for each earning period by the Board of Directors. The Board decides on the earning criteria and targets for each earning period. Targets consist of financial and other strategic targets, which includes a sustainability target. The Board sets a starting level, target level and maximum level for the target for each earning criteria.

The maximum incentive pay corresponds to 30 per cent of the annual salary of other management.

The second tranche, 2020-2021, of the currently ongoing LTI program 2019-2023 ended at the end of December 2021. In 2022 other management received long term incentive payment from the 2020-2021 earnings period equaling to 12,4 per cent payout of the fixed annual salary.

Pension plans

Other management is, depending on the country the respective person works in, covered by a pension scheme pursuant to the Employees' Pensions Act in Finland and Pensioenfond in Kring DC bij Centraal Beheer APF insurance plan offered to all Dutch employees in the Netherlands. In addition, those members of other management whose managerial employment agreement entered into effect before 23 November 2017 are entitled to a defined contribution collective supplementary pension insurance to which the employer contributes an amount equivalent to 10 per cent of their total annual salary (12 x monthly fixed salary) every year. The company has an agreement with a pension insurance company on said supplementary pension rights. The supplementary pension program for senior management was closed on 23 November 2017. Members of other management appointed after the aforementioned date will no longer have the right to a supplementary pension as part of their contract terms.

Terms and compensation for termination of employment

The period of notice for the other members of the Group Management Team is three months or in the Netherlands according to local legislation, equalling to four months. In the event that their contract is terminated by the company, the members of other management shall have the right to a lump sum compensation for termination, corresponding to their total salary for three months or four months in Netherlands. For contracts that entered into effect before 2013, the compensation for termination of members of other management corresponds to nine months' fixed salary.

Options and other share-based incentive schemes

The company does not have option plans or other share-based incentive schemes.

Remuneration of other management in 2022

| Salaries and fees of the members of the Group Management Team * | 1 January - 31 December 2022 | 1 January - 31 December 2021 |
|--|-------------------------------------|-------------------------------------|
| Monetary salary | 1 547 988 | 1 418 176 |
| Fringe benefits | 53 608 | 49 103 |
| Total fixed salary | 1 601 596 | 1 467 279 |
| Variable pay | 517 546 | 560 575 |
| Total remuneration | 2 119 143 | 2 027 854 |
| Supplementary pension | 54 378 | 65 868 |

* excl. CEO