



# Remuneration report

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2021

**REVENIO**

**We aspire to keep the wonderful  
world visible for all**

# Greetings from the Chair of the Nomination and Remuneration Committee

**REVENIO GROUP CORPORATION** is committed to transparent, fair and responsible remuneration. We regularly assess the goals and uniformity of our remuneration policy and practices with Revenio's strategic goals. With the remuneration report, we want to improve the transparency of remuneration in the company and describe the implementation of the remuneration policy.

Revenio's Nomination and Remuneration Committee has approved this remuneration report and ensured that the company's remuneration practices are in line with the principles of the company's remuneration policy, which was published in 2019, and serve the interests of the company and its shareholders. The remuneration policy has been approved by Revenio's 2021 Annual General Meeting in accordance with the Board's proposal.

The remuneration policy has been prepared in accordance with the Directive amending the EU's Shareholder Rights Directive and the regulatory framework of the Finnish Securities Market Association's Corporate Governance Code 2020.

Revenio is an internationally successful company that represents the health technology sector and whose key remuneration principle is to support the accomplishment of the Group's strategic goals and provide rewards for results in line with the Group's strategy, culture, and values, and for successful performance. We want to support the skilled organization to accomplish its goals by means of competitive total remuneration. Revenio's values and corporate culture also provide the framework for remuneration.

In 2021, Revenio grew and expanded as a result of the acquisition of the Australian Oculo, reinforcing its position as the global leader of comprehensive clinical eye diagnostics solutions. Through the acquisition, the organization's diversity, in terms of both geography and expertise, became even wider. We believe it is important

to adapt to local markets. We are global, but we also take local needs into account when it comes to remuneration.

We have also added a new role to our Management Team by appointing a Vice President, People & Culture, who is in charge of developing the company's personnel and culture. The aim of the new role is to support Revenio's growth, harmonize People & Culture activities in our global organization and reinforce our corporate culture. The development of effective total remuneration together with Revenio's Nomination and Remuneration Committee and the Management Group is an important part of the responsibilities of the new role.

In addition to internal development work, it is important to consider the world outside: we monitor the development of the macroeconomy and remuneration in our sector. Inflation, increased competition in the recruitment of skilled professionals, and the value-based changes to working life will all have an impact on the development of our remuneration model. Themes related to sustainability (ESG) are also high on our agenda and, with our transparent operating model, we want to develop the company's remuneration to support our sustainability program.

I want to thank all our personnel for their flexibility and creativity in these difficult circumstances, where the COVID-19 pandemic and its variants has forced organizations to think about new solutions for arranging customer meetings and internal cooperation. These exceptional circumstances have demonstrated that our company is very resilient.

I also want to express my gratitude to the customers, partners, and shareholders of Revenio Group for your support and trust.

**Ann-Christine Sundell**

Chair of the Nomination and Remuneration Committee  
Revenio Group Corporation



# Remuneration report 2021

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## ① Introduction

**REVENIO GROUP CORPORATION'S** ("Revenio", "the Company") remuneration reporting consists of a remuneration policy presented to the Annual General Meeting at least once every four years and the annual remuneration report presented from 2020 onwards, which describes the remuneration paid to the Company's governing bodies in the financial year ended. The remuneration policy will be applied until the 2024 Annual General Meeting unless the Board of Directors decides to bring it to the General Meeting earlier. Further information on the remuneration policy is available on the Company's website: [www.reveniogroup.fi/sites/default/files/2020-03/Revenio\\_remuneration\\_policy\\_2019.pdf](http://www.reveniogroup.fi/sites/default/files/2020-03/Revenio_remuneration_policy_2019.pdf).

The remuneration report concerning the governing bodies of Revenio Group Corporation ("Revenio", "the Company") was prepared in 2020 for the first time in accordance with the 2020 Finnish Corporate Governance Code for listed companies. The remuneration report is published on an annual basis at the same time with a report on the Company's governance and it is presented to shareholders at the next Annual General Meeting following the publication of the remuneration report.

The aim of remuneration is to promote the implementation of Revenio's strategy and ensure Revenio's long-term financial success, competitiveness, and positive development of shareholder value. Remuneration is an essential tool in implementing and driving the Company's strategy and in finding and retaining the best talent. Supporting growth is at the heart of Revenio's strategy, and the Company strives to align its remuneration methods with the situation in order to support its strategic goals. The principles guiding remuneration at Revenio are remuneration based on financial results and performance, transparent and consistent remuneration principles, and a competitive level of total remuneration.

The CEO's remuneration is based on these principles. A significant part of the CEO's remuneration is based on variable salary components, that is, short-term and long-term incentives. This ensures a close link between the CEO's remuneration and the Company's financial performance. The Board of Directors decides annually on the structure and details of the variable remuneration.

The Annual General Meeting decides on the remuneration payable for the work of the Board of Directors and committees and the criteria for determining such remuneration. The Nomination and Remuneration Committee has been tasked with the preparatory work concerning the remuneration of the Board of Directors. The Board of Directors decides on the remuneration and any other compensation payable to the CEO. The remuneration of the rest of the Management Team is decided by the CEO together with the Board of Directors.

This remuneration report, approved by Revenio's Board of Directors describes the remuneration paid to the members of the Company's Board of Directors, CEO, and Interim CEO for the financial year 1 January–31 December 2021. In addition, the remuneration report describes the development of the average remuneration of Revenio employees and the Company's financial performance and compares the information with the development of the payments made to the Company's governing bodies during the previous five years.

### Nomination and Remuneration Committee

The Nomination and Remuneration Committee assists the Board of Directors in preparations for the election of the Board members, the preparation of matters related to the election and remuneration of the CEO and other management, and the preparation of incentive schemes for other employees. In accordance with the Nomination and Remuneration Committee's rules of procedure, the Board of Directors elected from amongst the Board members the following members: Ann-Christine Sundell (Chair), Arne Boye Nielsen and Bill Östman.

In 2021, the Remuneration Committee met 3 times.

Further information on the Committee's area of responsibility is available on the Company's website: [www.reveniogroup.fi/fi/sijoittajat/hallinnointi/hallitus](http://www.reveniogroup.fi/fi/sijoittajat/hallinnointi/hallitus).

## Audit Committee

The duties and responsibilities of the Audit Committee are related to the supervision of the Company's financial reporting processes and financial reporting, supervision of internal control, internal audit and risk management, as well as the monitoring of audit and compliance processes. The Board of Directors has elected from among its members the members of the Audit Committee: Pekka Tammela (Chair), Pekka Rönkä and Ann-Christine Sundell.

In 2021, the Audit Committee met 5 times.

Further information on the Committee's area of responsibility is available on the Company's website: [www.reveniogroup.fi/fi/sijoittajat/hallinnointi/hallitus](http://www.reveniogroup.fi/fi/sijoittajat/hallinnointi/hallitus)

## Deviations from the remuneration policy and clawback

The Company has not exercised its right to deviate from the remuneration policy or the option for the clawback of paid fees.

## Development of remuneration and fees

Below is a comparative description that presents the remuneration of the Board of Directors, CEO, and employees, as well as the development of the Company's financial performance.

Fees paid to the Board of Directors have remained stable over the past five years. The increase in the total fees paid to the Board of Directors in 2020 is explained

by the new Board members, increases in annual fees, and the meeting fees of the committees' chairs. The development of the corresponding fees in 2021 remained on the previous year's level. Fees paid to the CEO include all payments made to the CEO during this period. Any non-recurring fees and double fees of the CEO are excluded from the review in order to keep the development of fees comparable.

Pay data for employees is presented as average pay costs per employee. The total pay costs for employees increased slightly in 2021.



EUR	2021	2020	2019	2018	2017
Board fees total <sup>1</sup>	200,300	204,150	148,000	144,000	144,000
CEO's pay total <sup>2</sup>	235,402	336,038	581,900	417,000	257,000
Employee pay <sup>3</sup>	86,227	81,500	94,300	106,300	102,400
Total Shareholder Return (indexed) <sup>4</sup>	686	618	319	150	135
EBITDA (MEUR)	25	22	15	11	10

<sup>1</sup> Includes the annual fee and meeting fee.

<sup>2</sup> The CEO's total pay includes all fees paid to one CEO during the year. The figures do not include any non-recurrent payments. In 2017–2021, CEOs were paid remuneration as follows: **2017** and **2018**: Timo Hildén (CEO as of 1 January 2017), **2019**: Timo Hildén (CEO until 4 August 2019 and as of 25 November 2019) and Mikko Moilanen (CEO from 5 August 2019 to 24 November 2019), **2020**: Timo Hildén (CEO until 17 May 2020) and Jouni Toijala (CEO as of 18 May 2020).

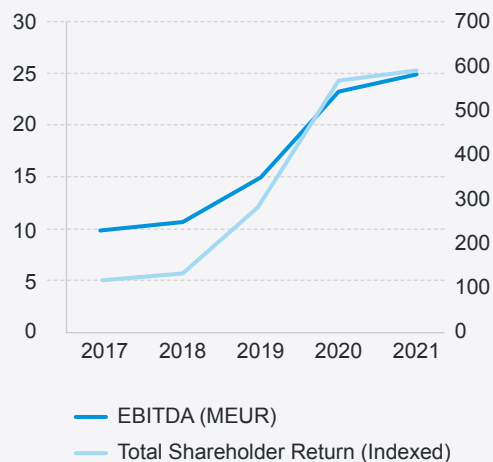
<sup>3</sup> Employee pay is calculated by dividing the total payroll for the global workforce by the number of employees. Total pay includes all earned salaries, benefits and bonuses.

<sup>4</sup> The reported total Shareholder Return is indexed (initial investment EUR 100 at the beginning of 2016).

## Pay development, EUR



## Pay and performance development, EUR



## ② Board fees

The Annual General Meeting decides on the remuneration of the Board of Directors. The Board of Directors prepares a remuneration proposal. The Company may also appoint a Remuneration Committee or an external expert to prepare remuneration-related proposals for the Board of Directors.

The Annual General Meeting held on 17 March 2021 decided on the remuneration of the Board of Directors. The Board of Directors' fees consist of the following annual fees paid to the chair of the Board, the chairs of the Committees and the members of the Board of Directors, and of the following meeting fees paid to the members of the Board of Directors and Committees.

	FEE, EUR
Annual fee of the chair of the Board	48,000
Annual fee of the chair of a Committee	30,000
Annual fee of a Board member	24,000
Meeting fee of the Board of Directors and Committees	600/meeting
Fee for telephone meetings of the Board of Directors and Committees	300/meeting
Meeting fee for Board and Committee members residing outside Finland and travelling to Finland for a meeting	1,200/meeting

In 2021, the Board of Directors met 16 times. The Board of Directors has two Committees: the Audit Committee and the Nomination and Remuneration Committee. In 2021, the Audit Committee met 5 times, and the Nomination and Remuneration Committee met 3 times.

In accordance with the proposal of the Board of Directors, the Annual General Meeting decided that 40% of the annual fee is paid in shares of the Company, with 60% paid in cash. Shares that are given as remuneration are not subject to transfer restrictions. There is no employment relationship between the members of the Board of Directors and the Company. Apart from the portion of the annual remuneration paid in shares, the Company has no share-based remuneration system intended for the members of the Board of Directors.

Travel expenses incurred by the members of the Board are reimbursed in accordance with the Company's travel policy. In 2021, no other financial benefits were paid to the Board members.

All fees paid to the Company's Board of Directors are paid in accordance with the valid remuneration policy for the governing bodies that was presented to the Annual General Meeting.

The fees of the Board members are paid once a year for each term. The fees for the period from 1 April 2021 to 31 March 2022 were paid on 31 May 2021. The meeting fees for each term are paid on a monthly basis. Such fees paid in 2021 are described in the table below.

PAID IN 2021	ANNUAL FEE, EUR	MEETING FEES, EUR	TOTAL, PCS/EUR
<b>Pekka Rönkä</b> Chair of the Board of Directors Member of the Audit Committee	48,000	9,300	Shares: 322 Cash: 38,100
<b>Kyösti Kakkonen*</b> Member	0	1,500	Shares: 0 Cash: 1,500
<b>Arne Boye Nielsen</b> Member Member of the Nomination and Remuneration Committee	24,000	8,700	Shares: 161 Cash: 23,100
<b>Ann-Christine Sundell</b> Member, Chair of the Nomination and Remuneration Committee (as of 21 October 2020) Member of the Audit Committee	30,000	9,300	Shares: 201 Cash: 27,300
<b>Pekka Tammela</b> Member Chair of the Audit Committee	30,000	8,700	Shares: 201 Cash: 26,700
<b>Bill Östman</b> Member Member of the Nomination and Remuneration Committee	24,000	7,200	Shares: 161 Cash: 21,200
<b>TOTAL</b>			Shares: 1,046 Cash: 137,900

\* Kyösti Kakkonen's membership in the Board of Directors ended on March 17, 2021 at the Annual General Meeting

### 3 CEO's fees

The Board of Directors decides on the remuneration of the CEO in accordance with the remuneration policy for the governing bodies that was presented to the Annual General Meeting. The CEO's fee consists of a fixed monthly salary (including supplementary pension and fringe benefits), a short-term incentive scheme (STI), and a long-term share-based incentive scheme (Performance-based share plan and Restricted share plan).

As of 1 January 2012, the CEO has been covered by group pension insurance and medical expenses insurance in addition to statutory pension cover. In 2021, the CEO's insurance has been extended to cover serious illness, which is consistent with the policy applied to all employees. The supplementary pension is contribution-based, with the amount paid being EUR 1,000 per month.

The CEO Agreement is subject to customary terms of notice. The CEO Agreement also includes a confidentiality clause, a non-compete clause and a prohibition of enticement clause applicable to the CEO.

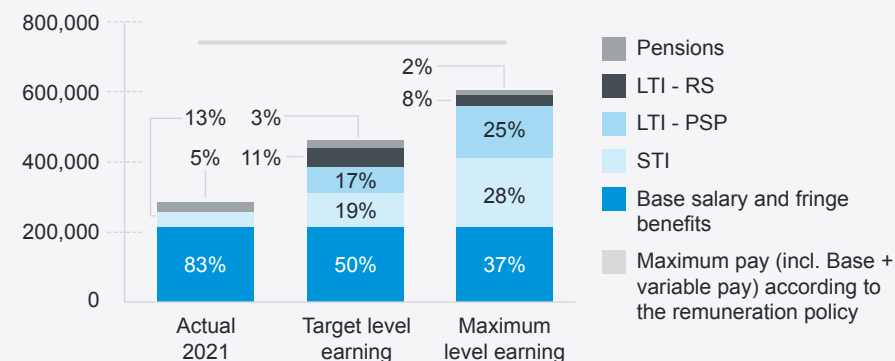
In 2021, the CEO received a total of EUR 235,102 in pay and remuneration, including fringe benefits. All fees paid to the Company's CEO are paid in accordance with the valid remuneration policy concerning the governing bodies that was presented to the Annual General Meeting. Jouni Toijala was paid a total fee of EUR 253,102. The total amount was paid as a fixed salary.



ELEMENT	PAID IN 2021	TO BE PAID IN 2022
<b>Fixed salary component</b>	219,232	221,250*
<b>Short-term incentive</b>		
Performance period 2020	33,630	-
Performance period 2021	-	128,396
<b>Performance-based share plan</b>		
Performance period 2018–2020	00,00	00,00
Restricted share plan	0 shares	400 shares
<b>Supplementary pensions</b>	12,000	12,000
<b>Fringe benefits</b>	240.00	240.00
<b>Severance payments</b>	-	-

\* Amount known at time of report publication

### Pay mix for Jouni Toijala<sup>1</sup>



<sup>1</sup> The basic salary illustrated in the chart is the annualized basic level. The LTI RS system was calculated using the estimated January 2022 value of the shares issued to the CEO.

## Short-term incentive scheme

The purpose of the short-term incentive scheme is to support the achievement of Revenio's annual financial and strategic objectives. The payment of the short-term incentive is based on the meeting of performance criteria during the performance period. The performance criteria are decided by the Board of Directors. The highest possible annual short-term incentive for Revenio's CEO corresponds to the fixed salary component for nine months.

The criteria in the short-term incentive scheme are EBITDA and cash flow at the Group level and individual targets. The achievement of these criteria is described below:

PERFORMANCE PERIOD	TIME OF PAYMENT	PERFORMANCE CRITERION	WEIGHTING	OUTCOME (% OF THE TOTAL KPI VALUE)	WEIGHTED OUTCOME
2021	2022	EBITDA	20%	100%	20%
		Net sales growth	30%	100%	30%
		Cash flow	20%	100%	20%
		Individual objectives	30%	35.3%	10.6%
<b>MEETING THE SHORT-TERM INCENTIVE CRITERIA, TOTAL</b>					<b>80.6%</b>

It is possible for the CEO to invest an amount equal to two months' salary from the short-term performance bonus in the personnel fund. The employee fund established by the Company is open to all employees of the Company in Finland. Employees may transfer to the personnel fund from their annual bonus an amount not exceeding two months' salary. Each employee decides for themselves whether they participate in the fund. Alternatively, bonuses can also be taken as salary. The Company pays an additional 25% on top of the amount transferred to the fund, with this additional amount corresponding to the statutory costs that the Company would have to pay if the bonus were paid as salary. The fund invests in the shares of Revenio Group Corporation.

## Performance-based share plan

The purpose of the long-term performance-based share plan is to support the implementation of the Company's strategy, increase the Company's value and profits in the long-term, strengthen the participants' commitment to the company, and provide the participants with competitive total remuneration.

	2019	2020	2021	2022	2023	2024
Performance period 2019–2021				Potential payment		
Performance period 2020–2022					Potential payment	
Performance period 2021–2023						Potential payment

The performance-based share plan consists of three-year performance periods. The Board of Directors decides separately on the minimum, target and maximum bonus as well as the performance criteria and related targets. The amount of the bonus to be paid depends on the development of the share price in accordance with the pre-defined targets. Bonus is not paid if the targets are not met or if the participant's employment relationship ends before the bonus is paid.

The targets of the plan must be related to the total absolute shareholder return of the Company's share and cumulative operating result for three years. If the targets of the incentive scheme are achieved, bonuses will be paid in the spring of the year following the performance period. The total amount of the share incentive paid on the basis of the plan's performance periods may be no more than approximately 100,000 shares of Revenio Group Corporation. The number of shares is equal to gross earnings minus any cash component deducted from it in order to cover taxes and any other tax-like charges arising from the share incentive, with the remaining net incentive paid in shares. However, the Company has the right to pay the fee fully in cash in certain situations. The Company's Board of Directors may decide on new share-based incentive schemes within the limits of the authorization granted by the Annual General Meeting.

The criteria for the performance-based share plan are the total shareholder return and the cumulative operating result (as a cutter) at the Group level. The current CEO is eligible to participate in the performance period 2020–2022. In 2021, the current CEO was not paid share-based remuneration based on the performance-based share plan. The first potential payment under the performance-based share plan will be paid to the CEO in 2023.



## Restricted share plan

The restricted share plan was established for the CEO as part of the long-term incentive and commitment program. The purpose of the plan is to supplement the CEO's remuneration, to combine the interests of shareholders and the CEO, to increase the Company's value and profits in the long term and to strengthen the CEO's commitment to the Company.

	2021	2022	2023	2024
<b>RSP 2021–2023</b>				
		1/3 of the potential payment	1/3 of the potential payment	1/3 of the potential payment

The restricted share plan consists of one three-year vesting period 2021–2023. During the vesting period, the CEO may receive shares provided that the CEO's employment relationship continues until the shares are delivered. The shares are delivered in three instalments. The first third of the incentive is paid after the first year of the vesting period, the second third after the second year of the vesting period and the final third is paid when the entire vesting period has ended.

The number of shares is equal to gross earnings minus any cash component deducted from it in order to cover taxes and any other tax-like charges arising from the share incentive, with the remaining net incentive paid in shares. It is recommended that the value of the shares held by the CEO corresponds to 50% of the CEO's annual gross basic salary.

In 2021, the current CEO was not paid share-based remuneration based on the restricted share plan.



**REVENIO GROUP CORPORATION**

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