

A scenic landscape of a fjord with two people in a canoe. The water is a deep blue-green, reflecting the sky and the surrounding mountains. The mountains are steep and rocky, with patches of snow and green vegetation. The sky is blue with some white clouds. The overall scene is peaceful and natural.

# REVENIO

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

## Remuneration report 2022



# Greetings from the Chair of the Nomination and Remuneration Committee

**REVENIO GROUP CORPORATION** is committed to transparent, fair and responsible remuneration. We regularly assess our remuneration policy and practices to ensure that remuneration supports the achievement of Revenio's strategic goals.

This Remuneration Report improves the transparency of remuneration and describes the implementation of the remuneration policy. Revenio's Nomination and Remuneration Committee has approved this report and ensured that the remuneration practices are in line with the company's remuneration policy and aligned with the interests of the company and its shareholders. 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 operates in the international markets and is a global leader in ophthalmological devices and software solutions. The key remuneration principle is to support the accomplishment of the Group's strategic goals and provide rewards for results in line with strategy, culture and values. By providing competitive total remuneration, we seek to support and incentivize Revenio's highly competent organization in achieving its goals. Our values and corporate culture provide the framework for remuneration.

Over the past two years, Revenio has gone through a significant evolution from an equipment supplier

to a global leader of comprehensive eye diagnostics solutions. This has been a significant step for our organization as a whole, and it has further increased the organization's diversity both geographically and in terms of expertise.

## **We maintained our agility and demonstrated our capacity for change**

The year 2022 was characterized by exceptional circumstances due to inflation, war and the post-pandemic era. In these conditions, our organization's capacity for change, flexibility and expertise enabled us to execute our strategy. Importantly, we maintained our agility during a period of strong growth for the Group.

A few years ago, we made the decision to invest in the further development of Revenio's unique corporate culture. Under the leadership of Hanna Vuornos, who joined us in 2021 as our Vice President, People & Culture, we have actively developed our culture and processes to support our growth. Over a short period of time, we have developed our operations to become a genuinely global and multicultural Group that values and fosters diversity. The development of effective total remuneration together with Revenio's Nomination and Remuneration Committee and the Leadership Team will play an important role in ensuring our competitiveness in the future.

## **We take local conditions and the industry's special characteristics into account in the development of remuneration**

We are a global organization that also takes local needs into account when it comes to remuneration. We develop remuneration as a part of our strategy and, in 2022, we reviewed our Short Term Incentive (STI) program in collaboration with an external specialist. In 2022, we incorporated ESG targets into the remuneration of all members of the Leadership Team for the first time. We monitor our business environment, macroeconomic trends and the development of remuneration in our industry. Inflation, increased competition in the recruitment of skilled professionals and values-driven changes in working life will all have an effect on the future development of our remuneration model. Sustainability (ESG) themes 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 take this opportunity to thank all of our personnel for the excellent year we had in 2022 and the ability to operate in an efficient and agile manner in spite of the challenging circumstances in our operating environment. The exceptional circumstances have demonstrated the strong resilience of our personnel. Revenio has a unique corporate culture and atmosphere, which are supported by the flat organizational structure and minimal hierarchy. I am very pleased that Revenio's culture of openness and can-do attitude has been preserved as the Group has grown and expanded its operations globally. 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*



# 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/en/investors/corporate\\_governance/remuneration](http://www.reveniogroup.fi/en/investors/corporate_governance/remuneration)**

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 as the 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.

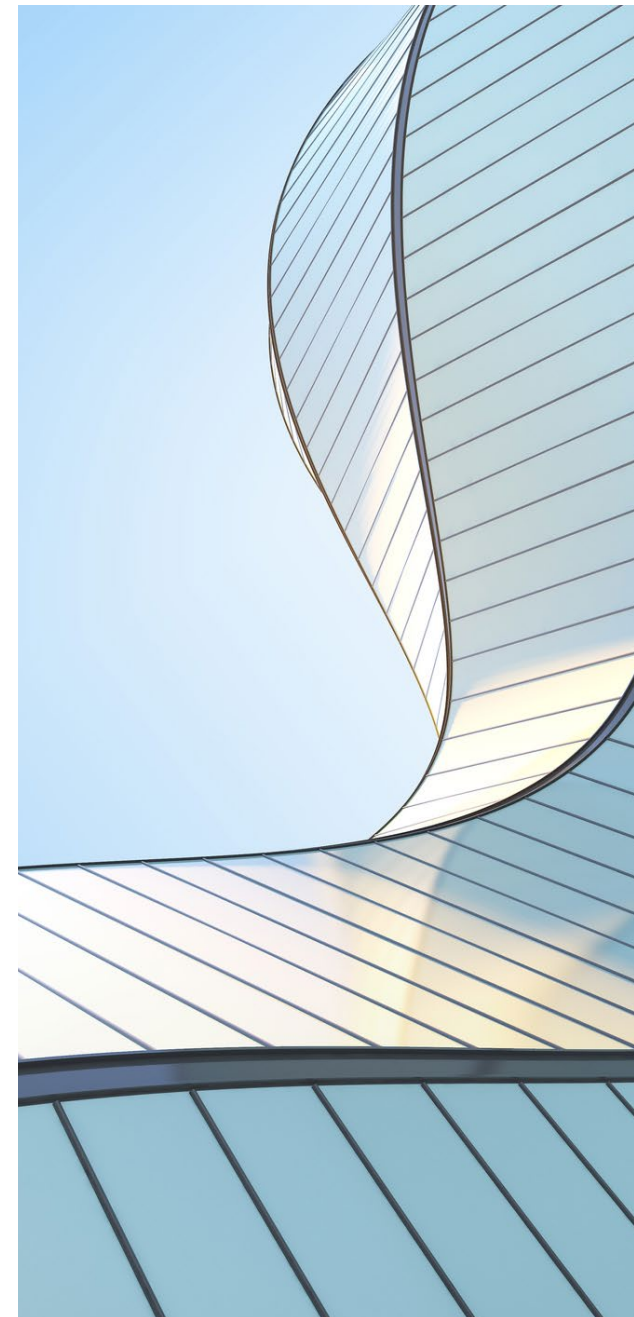
The Annual General Meeting decides on the remuneration payable for the work of the Board of Directors and committees and the criteria for determining such remuneration. The Nomination and Remuneration Committee has been tasked with the preparatory work concerning the remuneration of the Board of Directors. 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 and CEO for the financial year 1 January–31 December 2022. 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), Riad Sherif, and Bill Östman.

Further information on the Committee's area of responsibility is available on the Company's website: **[www.reveniogroup.fi/en/investors/corporate\\_governance/board\\_of\\_directors](http://www.reveniogroup.fi/en/investors/corporate_governance/board_of_directors)**



## 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), Arne Boye Nielsen and Ann-Christine Sundell.

Further information on the Committee's area of responsibility is available on the Company's website: [www.reveniogroup.fi/en/investors/corporate\\_governance/board\\_of\\_directors](http://www.reveniogroup.fi/en/investors/corporate_governance/board_of_directors)

## 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

On the next page 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 steadily increased over the past five years. The increase in the total fees paid to the Board of Directors in 2022 is explained by increases in annual fees and meeting fees. 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.

The total pay costs for employees increased slightly in 2022. Pay data for employees is presented as average pay costs per employee.



EUR	2022	2021	2020	2019	2018
Board fees total <sup>1</sup>	284,500	200,300	204,150	148,000	144,000
CEO's pay total <sup>2</sup>	372,866	235,402	336,038	581,900	417,000
Employee pay <sup>3</sup>	85,842	86,227	81,500	94,300	106,300
Total Shareholder Return (indexed) <sup>4</sup>	480	686	618	319	150
EBITDA (MEUR)	33	25	22	15	11

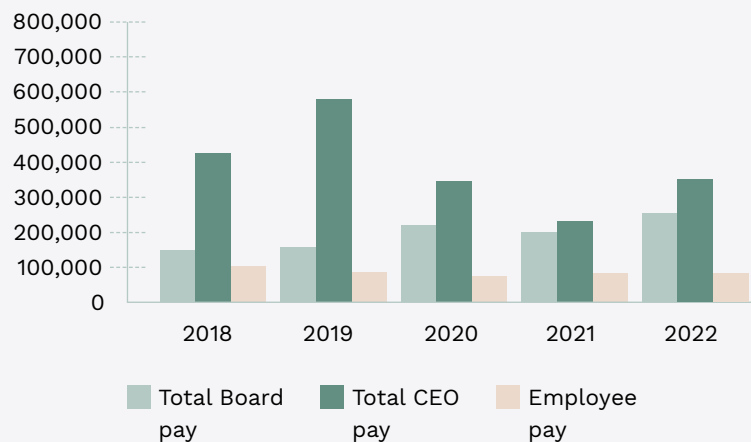
<sup>1</sup> Includes the annual fee and meeting fee.

<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 2018–2021, CEOs were paid remuneration as follows: 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).

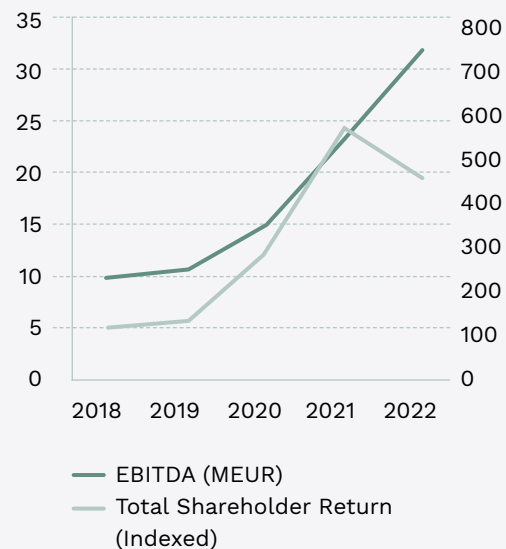
<sup>3</sup> Employee pay is calculated by dividing the total payroll for the global workforce by the number of employees. Total pay includes all paid salaries, benefits and bonuses.

<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



## 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 April 8, 2022 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.

In 2022, the Board of Directors met 11 times. The Board of Directors has two Committees: the Audit Committee and the Nomination and Remuneration Committee. In 2022, the Audit Committee met 5 times, and the Nomination and Remuneration Committee met 5 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.

Board members will be paid remuneration for the term of office ending at the 2023 Annual General Meeting as follows: Chair of the Board is entitled to an annual emolument of EUR 60,000, possible deputy chair of the Board of Directors is entitled to an annual emolument of EUR 45,000, the Board Members are entitled to an annual emolument of EUR 30,000, the chair of the Audit Committee is entitled to an annual emolument of EUR 15,000, the chair of the Nomination and Remuneration Committee is entitled to an annual emolument of EUR 10,000, and the members of the Board Committees are entitled to an annual emolument of EUR 5,000. The attendance allowance of EUR 1,000 is to be paid for Chair of the Board or Board Committee Chairs per Board or Committee meeting and EUR 600 per short teleconference, Board members EUR 600 for Board and Board Committee meetings and EUR 300 for short teleconferences per meeting, yet so that the aforementioned attendance allowance for the Board and Board Committee meetings for Board and Committee chairs who live outside of Finland and travel to Finland for the meeting is EUR 2,000 and the aforementioned attendance allowance for the Board and Board Committee meetings for members is EUR 1,200.

Travel expenses incurred by the members of the Board are reimbursed in accordance with the Company's travel policy. In 2022, 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 2022 to 31 March 2023 were paid on 30 May 2022. The meeting fees for each term are paid on a monthly basis. Such fees paid in 2022 are described in the table below.

PAID IN 2022	ANNUAL FEE IN SHARES, EUR	ANNUAL FEE IN CASH, EUR	MEETING FEES, EUR	TOTAL, EUR
<b>Arne Boye Nielsen</b>				
Chair of the Board of Directors (since April 8, 2022)	26,000	39,000	10,200	75,200
Member of the Audit Committee (since April 8, 2022)				
<b>Pekka Rönkä</b>				
Chair of the Board of Directors (until April 8, 2022)	0	0	1,500	1,500
Member of the Audit Committee (until April 8, 2022)				
<b>Riad Sherif</b>				
Member (since April 8, 2022)				
Member of the Nomination and Remuneration Committee (since April 8, 2022)	14,000	21,000	6,300	41,300
<b>Ann-Christine Sundell</b>				
Member				
Chair of the Nomination and Remuneration Committee	18,000	27,000	11,200	56,200
Member of the Audit Committee				
<b>Pekka Tammela</b>				
Member	18,000	27,000	7,800	52,800
Chair of the Audit Committee				
<b>Bill Östman</b>				
Vice Chair of the Board of Directors	20,000	30,000	7,500	57,500
Member of the Nomination and Remuneration Committee				
<b>TOTAL</b>				<b>284,500</b>

## 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.

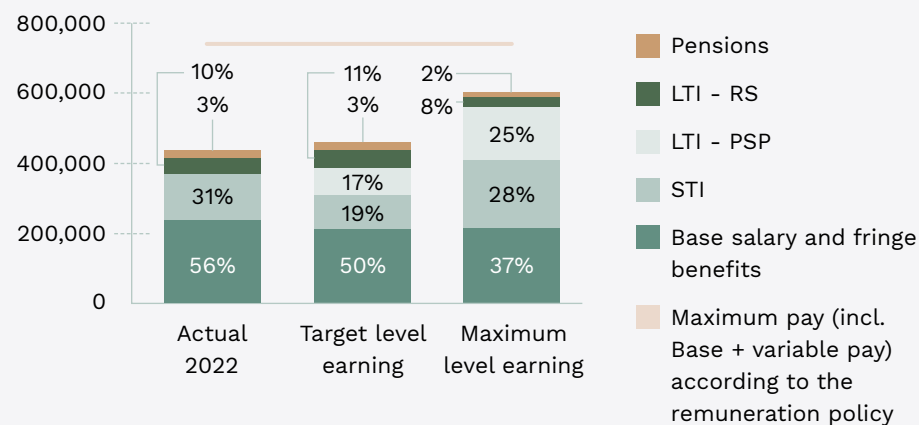
The CEO Agreement is subject to customary terms of notice. The CEO Agreement also includes a confidentiality clause, a non-compete clause, and a prohibition of enticement clause applicable to the CEO.

In 2022, the CEO received a total of EUR 372,866 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.



	PAID IN 2022, EUR
<b>Fixed salary (monthly salary, vacation pay)</b>	235 910
<b>Short-term incentive 2021</b>	
Monetary portion	92,995
Employee fund portion	35,400
<b>Long-term incentive 2021</b>	
Performance-based share plan	0
Restricted share plan	43,720
<b>Supplementary pensions</b>	12,000
<b>Fringe benefits</b>	240

### 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 twelve months.

The criteria in the short-term incentive scheme are EBITDA, net sales growth 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
2022	2023	EBITDA	20%	100%	20%
		Net sales growth	30%	67%	18%
		Cash flow	15%	100%	15%
		Individual objectives	35%	77%	27%
<b>MEETING THE SHORT-TERM INCENTIVE CRITERIA, TOTAL</b>					<b>80%</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 was 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.

	2020	2021	2022	2023	2024	2025
Performance period 2020–2022			→	Potential payment		
Performance period 2021–2023				→	Potential payment	
Performance period 2022–2024					→	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 periods 2020–2022, 2021–2023 and 2022–2024. In 2022, 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 order to pay the share bonus of 1,000 shares earned in 2021 in accordance with the terms of the program, 400 of the company's treasury shares were issued to the CEO on February 10, 2022 through a directed share issue without payment, and the rest of the share bonus was used for the tax consequences of the issued shares.

## Oculo share-based incentive scheme

The arrangement is established to form part of the long-term incentive and commitment program for certain key employees of Oculo. The aim of the arrangement is to support the implementation of the company's strategy, combine the interests of the shareholders and the participants in order to increase the value and performance of the company in the long-term, to commit participants to the Company after the acquisition. The maximum number of shares in the program is limited. Under the program, shares will be issued for a maximum total value of AUD 1,660,000, calculated at the trading-weighted average price on the closing date April 27, 2021 of the Oculo acquisition. The Arrangement is a three-year performance share plan for the calendar years 2021, 2022 and 2023, respectively. A total of 1,579 of the company's treasury shares were issued in October 3, 2022 in a directed share issue without payment to persons included in the share-based incentive scheme.



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