

Remuneration Report 2021

Nixu Corporation's remuneration report has been prepared in accordance with Chapter 7, Section 7b of the Securities Markets Act. In addition, the Securities Market Association's Finnish Corporate Governance Code and its regulations have been taken into account in the preparation of the Remuneration Report.

The Personnel and Remuneration Committee, established in April 2020 by Nixu Corporation's Board of Directors, consisting of Kati Hagros (Chair), Kimmo Rasila and Jaya Baloo, has prepared this report. The report was reviewed and approved by the Board of Directors on February 16, 2022. This Remuneration Report will be presented during the Company's Annual General Meeting in 2022, on 19 April 2022, where it will be reviewed in an advisory capacity and in accordance with Chapter 5, Section 3b of the Finnish Limited Liability Companies Act.

The Remuneration Policy for the Nixu Corporation's institutions was approved at the Annual General Meeting in 2020, on 7 April 2020. The Remuneration Policy is based on the Company's business strategy and objectives. Its objective is to promote the Company's business strategy, long-term financial success, and the sustainable growth in shareholder value. Its purpose is to encourage, engage and steer the actions of persons working in the Company's institutions by rewarding individual employees for their personal performance and contributions in accordance with the Company's strategy and financial performance. The remuneration paid to the Chair, Vice-Chair and members of the Board must reflect the responsibilities of each role and the work and qualifications required by each role in a fair and proportionate manner.

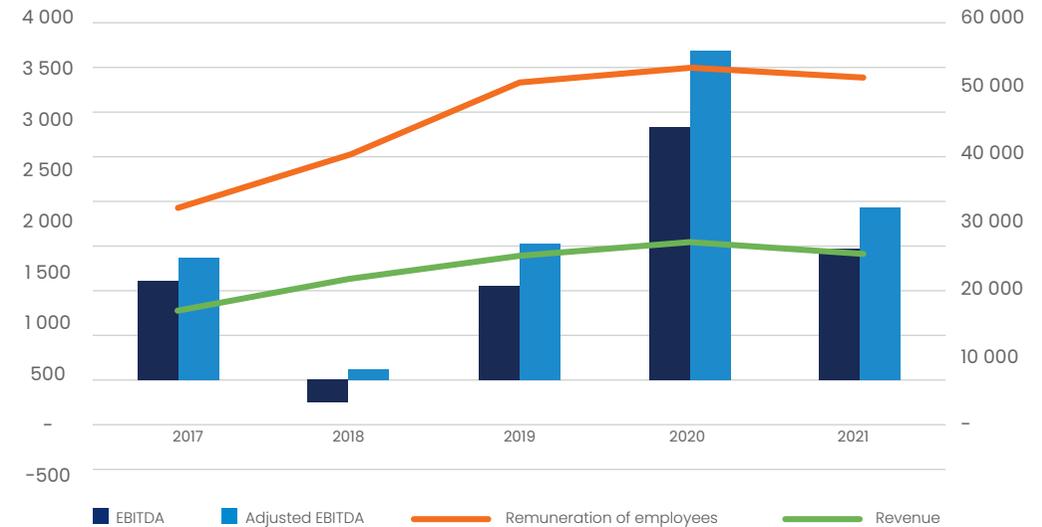
This report describes how the Remuneration Policy has been followed in the remuneration provided to the Company's management and how said remuneration has contributed to the Company's long-term financial success and sustainable growth in shareholder value in the financial year that ended on 31 December 2021. The Company did not deviate from the Remuneration Policy in the financial year that ended on 31 December 2021. In terms of the remuneration paid and the decision-making processes concerning remuneration, and the Company initiated no recovery processes in connection with any remuneration that was paid. The numbers in this Remuneration Report are presented as undiscounted.

Development of remuneration

In September 2021, Nixu announced its medium-term growth targets for 2022–2025. Nixu pursues these goals through its growth strategy. The performance-based incentive paid to the Company's management is based on the financial targets determined by the Company's Board of Directors, and the amount paid depends on the financial results of the Company and achievement of personal targets. The short-term performance-based incentive is dependent on revenue and/ or EBITDA with different emphasis in accordance with Company's financial guidance. In general, it can be stated that the remuneration has developed in line with the Company's goals and strategy.

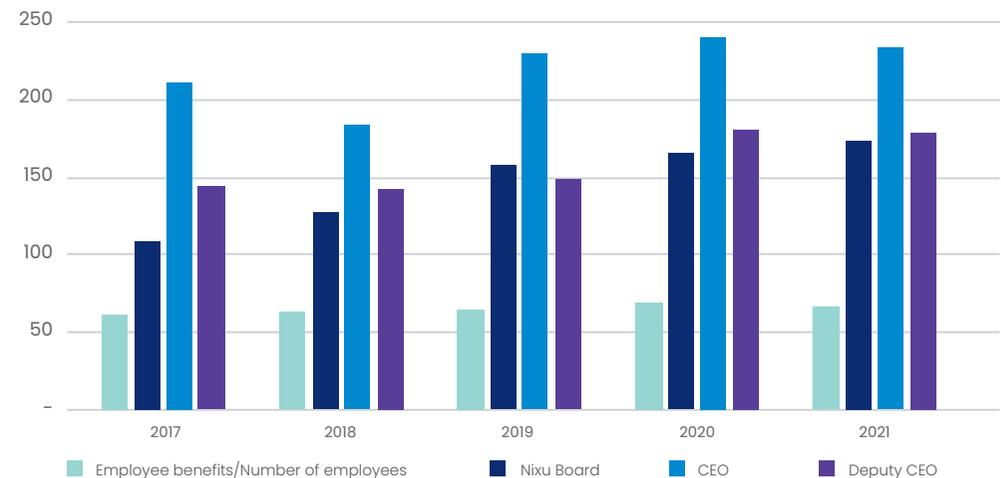
The remuneration of the Company's Board of Directors, CEO and Deputy CEO has developed compared to the development of the company's average remuneration of employees and the company's financial development in the previous five financial years, as shown in the charts. The following chart shows the development of selected financial indicators from 2017 to 2021.

Financial development 2017 – 2021 (EUR thousand)



The chart below shows the development of remuneration from 2017 to 2021.

Development of remuneration 2017–2021 (EUR thousand)



*Does not include remuneration of the CEO

Remuneration of the Board of Directors

On March 30, 2021, the Annual General Meeting confirmed for the Chair of the Board of Directors a fixed annual remuneration of EUR 44,000, the Deputy Chair of the Board of Directors a fixed annual remuneration of EUR 33,000 and the other members of the Board of Directors a fixed annual remuneration of EUR 22,000, for the term beginning after the Annual General Meeting 2021. 30% of the fixed annual remuneration mentioned above, shall be paid in the company's shares repurchased from the marketplace and 70% in cash. In addition to the annual remunerations, a meeting specific remuneration of EUR 300 shall be paid in cash for attendance at meeting outside of the Member's country of residence.

Travel expenses are reimbursed in accordance with the Company's travel policy. In addition to the fixed annual remuneration portion paid in shares mentioned above, the members of the Board of Directors are not involved in the company's other share-based remuneration schemes.

The Chair of the Audit Committee is paid an annual remuneration of EUR 4,000, while the Committee's members are paid EUR 2,000 per year. The Chair of the Personnel and Remuneration Committee is paid an annual remuneration of EUR 2,000, while the Committee's members are paid EUR 1,000 per year.

The current term of the Board of Directors will last until the next Annual General Meeting on 19 April 2022.

The remuneration provided to the members of the Board of Directors is presented in the table below. This report shows the remuneration accrued for the calendar year 2021 and paid during in 2021.

Remuneration of the members of the Board of Directors in 2021

Name	Position	Remuneration (calendar year 2021)	Share-based payments	Annual remuneration of Committee duties	Total
Kimmo Rasila	Chair of the Board, member of the Personnel and Remuneration Committee	33,115 €	9,893 €	1,000 €	44,008 €
Marko Kauppi	Deputy Chair of the Board, Member of the Audit Committee	24,895 €	7,424 €	2,000 €	34,319 €
Jaya Baloo	Member of the Board, Member of the Personnel and Remuneration Committee	16,683 €	4,946 €	1,000 €	22,629 €
Kati Hagros	Member of the Board, Chair of the Personnel and Remuneration Committee	16,683 €	4,946 €	2,000 €	23,629 €
Anders Silwer	Member of the Board, Member of the Audit Committee	16,683 €	4,946 €	2,000 €	23,629 €
Jari Niska	Member of the Board, Chair of the Audit Committee as of March 30, 2021	11,883 €	4,946 €	4,000 €	20,829 €
Tuija Soanjärvi	Member of the Board, Chair of the Audit Committee until March 30, 2021	4,800 €	-	-	4,800 €

Remuneration of the CEO and Deputy CEO

Remuneration is paid to the CEO and Deputy CEO in the form of a fixed basic salary, fringe benefits, a short-term performance incentive, and an annual bonus. In addition, the CEO and Deputy CEO are included in share-based remuneration schemes. The purpose of the remuneration schemes is to provide an incentive to the Company's management to develop the Company and safeguard its long-term financial success. The applicable remuneration principles take various factors into account, such as the Company's development phase and business strategy. In Finland, in accordance with the Act on Personnel Funds, part (25–100%) of the annual bonus is allocated to a personnel fund that is owned and managed by the Company's employees.

The Company's Board of Directors is responsible for annually evaluating and deciding on the salaries, remunerations and other benefits provided to the CEO and Deputy CEO, as well as the principles for determining these decisions. The Board of Directors decides on the entitlement criteria and determination of the performance incentive on an annual basis. The amount of performance incentives paid to the CEO and Deputy CEO depends on the Group's financial performance and the achievement of their personal targets. The CEO and Deputy CEO are entitled to a statutory pension that is based on a defined contribution plan.

Components of the remuneration provided to Nixu's CEO and Deputy CEO:

Remuneration element	Description
Base salary	Fixed monthly salary Fixed salary including taxable fringe benefits.
SHORT-TERM INCENTIVES	Performance-based incentive plan The performance-based incentive is based on the financial targets determined by the Company's Board of Directors. The target period for this short-term incentive plan is six months and the incentive is paid half-yearly. The criteria, weightings and results of the 2021 targets have been presented separately.
	Annual bonus The CEO and the Deputy CEO are included in the annual bonus system. The criteria and payment criteria of the bonus paid half-yearly have been presented separately.
PENSIONS	Statutory pension, defined contribution plan Statutory pension scheme, no additional pension schemes are agreed.
SHARE - BASED PAYMENTS	All-Employee Matching Share Plan The CEO and the management team participate in the All-Employee Matching Share Plan. More information on the program below.
	Key personnel stock option scheme The stock option scheme is directed to personnel responsible for the implementation of Nixu's growth strategy. More information on the program below.

The short-term incentives of CEO and Deputy CEO in 2021 *:

H1/2021				
	Description of the criterion	Weight	Result (0-100%)	Performance bonus (€)
CEO	External revenue	40%	0%	0 €
	Operative EBITDA	20%	0%	0 €
	Employee NPS	20%	10%	505.26 €
	Gross margin	20%	0%	0 €
Deputy CEO	External revenue	40%	0%	0 €
	Operative EBITDA	20%	0%	0 €
	Employee NPS	20%	10%	150.00 €
	Gross margin	20%	0%	0 €
H2/2021				
	Description of the criterion	Weight	Result (0-100%)	Performance bonus (€)
CEO	External revenue	20%	0%	0€
	Operative EBITDA	50%	0%	0€
	Employee NPS	10%	0%	0€
	Managed Services Monthly Recurring Revenue	20%	0%	0€
Deputy CEO	External revenue	20%	0%	0€
	Operative EBITDA	60%	0%	0€
	Employee NPS	10%	0%	0€
	Managed Services Monthly Recurring Revenue	10%	0%	0€

* The Performance-based incentive in H2/2021 is based on a forecast.

The criteria and payment for the annual bonus 2021:

	Criteria and amount	Basis for payment
H1/2021	As a bonus, 18.3% of Nixu Finland’s EBITDA was distributed.	The bonus was distributed and paid half-yearly pro rata with the salary. The employment relationship must be valid at the time of payment.
H2/2021	As a bonus, 18% of Nixu Group’s operating EBITDA exceeding EUR 500,000, was distributed.	The bonus was distributed and paid every six months equally to all employees in Finland and Sweden in proportion to the period of employment. The employment relationship must be valid for the entire accumulation period and at the time of payment.

All-Employee Share Matching Plan 2019–2021

- The All-Employee Matching Share Plan 2019–2021, is directed to all permanent employees of Nixu Corporation and its subsidiaries. The plan is to create an incentive for the Nixu employees to become shareholders or increase their shareholding in Nixu and thereby continue to strengthen and align the interests of the employees, Nixu and its shareholders. And in addition to share Nixu’s success with its employees also through the possible increase in the share price and to drive One Nixu -thinking. The participation is voluntary.
- Plan period: two years, 2019–2021
- The employees that participate in the plan have the right of receiving one matching share free of consideration for each full two New Shares subscribed in the Share Issue after a two-year retention period.
- The programme ended on 11 March 2021. The gross remuneration of the programme was divided into net shares received and cash reward.

Key personnel stock option scheme

- The goal is to create an incentive for the key personnel committed to implementing Nixu’s strategy. A prerequisite (at least for the first series of options) is to participate in the All-employee share matching plan.
- The total maximum number of Stock Options issued is 345,000. Of the Stock Options, 115,000 are marked with the symbol 2019A, 115,000 with the symbol 2019B and 115,000 with the symbol 2019C.

The share subscription period with the Stock Options shall be:

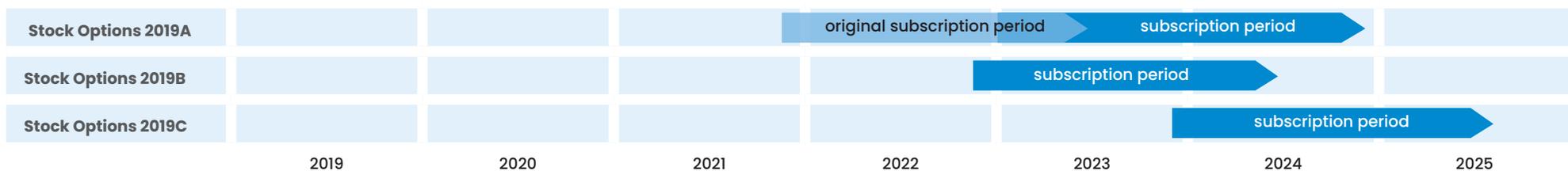
- for Stock Options 2019A: The Board of Directors decided to postpone the subscription period of option series 2019A and the period of achievement of the related performance targets so that the subscription period begins on 31 December 2022 and ends on 31 August 2024. Original, the subscription period for the option series 2019A was 1 October 2021–31 May 2023.
- for Stock Options 2019B: 1 October 2022 – 31 May 2024
- for Stock Options 2019C: 1 October 2023 – 31 May 2025.

- The Stock Options will be issued gratuitously. The Board of Directors is in connection with the distribution of the Stock Options entitled to set the Stock Option holders’ right to keep all or part of the Stock Options until the commencement of the share subscription period conditional on the fulfillment of specific financial or operational performance targets on terms separately determined by the Board of Directors.

- The share subscription price shall be:
2019A: the trade volume weighted average quotation of the Company’s share on NASDAQ Helsinki Ltd during the period of April 1, 2019 – April 30, 2019. The subscription price was set at EUR 12.09 per share.

2019B: the trade volume weighted average quotation of the Company’s share on NASDAQ Helsinki Ltd during the twenty trading days following the publication date of the Company’s financial statements release for the year 2019 (February 13, 2020 – March 11, 2020). The subscription price was set at EUR 9.48 per share.

2019C: the trade volume weighted average quotation of the Company’s share on NASDAQ Helsinki Ltd. during the twenty trading days following the publication date of the Company’s financial statements release for the year 2020 (February 11, 2021 – March 10, 2021). The subscription price was set at EUR 9.95 per share.



Stock options for the CEO and deputy CEO in the key personnel share programme:

Number of options in the programme	CEO Petri Kairinen	Deputy CEO Janne Kärkkäinen
Stock Options 2019A	9,100	5,000
Stock Options 2019B	8,000	5,000
Stock Options 2019C	7,500	7,500

Remuneration of the CEO and deputy CEO in 2021

The wages and salaries paid to the CEO and deputy CEO during the financial year 2021, including fringe benefits, are presented in the table below. The share-based payments made in 2021 are based on the end of the Matching Share Program, which started in 2019.

	CEO Petri Kairinen	Deputy CEO Janne Kärkkäinen
Basic salary ¹	186,256 €	141,993 €
Performance bonus ²	505 €	150 €
Annual bonus ²	1,392 €	1,335 €
Share-based payments ³	9,456 €	9,456 €
Pension	34,423 €	26,641 €
Total	232,032 €	179,575 €

¹ The basic salary includes taxable fringe benefits.

² The performance bonus and the annual bonus for 2021 consist of the payment made by H1/2021 and the H2/2021 forecast.

³ The gross remuneration shown in the table consists of net shares and cash reward.

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