



The Board of Directors of Kempower decided on a long-term incentive plan for the group's key employees and on the Employee Share Savings plan for all employees

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Performance Share Plan 2023-2025

The Board of Directors of Kempower has decided to establish a new share-based incentive plan for the group's key employees. The aim is to align the objectives of the shareholders and key employees for increasing the value of the company in the long-term, to commit the key employees to work for the company and to offer them a competitive incentive scheme that is based on earning and accumulating shares.

The Performance Share Plan 2023–2025 consists of a three (3) year performance period, covering the financial years of 2023–2025.

In the plan, the target group is given an opportunity to earn Kempower's shares based on performance. The potential rewards based on the plan will be paid after the end of the performance period. The reward will be paid partly in Kempower's shares and partly in cash. The cash proportion of the reward is intended for covering taxes and statutory social security contributions arising from the rewards to the participants. In general, no reward is paid if the participant's employment or director contract terminates before the reward payment.

During the performance period, the rewards are based on the Total Shareholder Return of the Kempower share in 2023-2025 and Group Revenue in 2023-2025. The value of the maximum rewards to be paid on the targeted level will correspond to a total of approximately 206,200 Kempower's shares including also the cash proportion. The estimated maximum expense for the performance period 2023–2025, based on Kempower's current share value, is EUR 5,4 million in total.

It is the intention of the Board of Directors that no new shares will be issued in connection with the PSP 2023-2025 Program and therefore, the PSP 2023-2025 program would have no dilutive effect on the number of the Kempower Corporation's registered shares.

Approximately 40 persons, including the CEO and other Kempower Management Team members, belong to the target group of the performance period.

The Management Team member is obliged to hold at least 50 per cent of the shares received as a net reward from the performance share plan, until the total value of the member's shareholding in Kempower equals to 50 per cent of their annual base salary of the preceding year. Such number of Kempower's shares must be held as long as the membership in the Management Team continues.

Employee Share Savings Plan

The Board of Directors of Kempower has decided to establish an **Employee Share Savings Plan (ESSP)** for the employees of Kempower and its subsidiaries.

The aim of the ESSP is to encourage employees to acquire and own Kempower shares, and it is intended to align the interests of the shareholders and the employees as well as to increase employees' motivation and long-term commitment

to the company.

The ESSP consists of annually commencing plan periods, each one comprising of a 12-month savings period and a holding period following the savings period. The ESSP is offered to all Kempower employees in countries where there are no legal or administrative constraints for participation. The employees will have an opportunity to save a proportion of their salaries and an extra bonus and invest those savings in Kempower shares. The savings will be used for acquiring Kempower shares quarterly after the publication dates of the respective interim reports. As a reward for the commitment, Kempower grants the participating employees a gross award of one matching share for every two (2) savings shares acquired with their savings. Continuity of employment and holding of acquired savings shares for the duration of the holding period are the prerequisites for receiving the award.

The potential award will be settled in shares, or partly in shares and partly in cash, after the end of the holding period. The cash proportion is intended to cover taxes and tax-related costs arising from the award in those countries where the employer has the obligation to withhold taxes. Matching shares will be freely transferable after their registration on the participant's book-entry account. Any dividends to be paid on the acquired savings shares, the matching shares given within the ESSP, and any other shares received within the ESSP will be reinvested in additional shares on the next potential acquisition date. These shares will have an equal right to matching shares.

Participation in the ESSP is voluntary and the employees will be invited to participate in one plan period at a time. The first savings period will commence on 1 April 2023 and end on 31 March 2024. The holding period of the first plan period begins at the first acquisition of savings shares and ends on 31 March 2026. The estimated maximum expense for the first plan period is approximately EUR 1,3 million. The final expense depends on the employees' participation and savings rate in the plan, and the fulfilment of the prerequisites for receiving matching shares, as well as the number of shares acquired from the market with savings.

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About Kempower:

We design and manufacture reliable and user-friendly DC fast charging solutions for electric vehicles. Our vision is to create the world's most desired EV charging solutions for everyone, everywhere. Our product development and production are based in Finland, with a majority of our materials and components sourced locally. We focus on all areas of e-mobility, from electric cars, trucks, and buses to machines and marine. Our modular and scalable charging system and world-class software are designed by EV drivers for EV drivers, enabling the best user experience for our customers around the world. Kempower is listed in the Nasdaq First North Growth Market Finland. www.kempower.com

Attachments

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