



## **KEMPOWER ESTABLISHED TWO NEW SHARE-BASED INCENTIVE PLANS FOR THE GROUP'S KEY EMPLOYEES AND RESOLVED ON A NEW PLAN PERIOD OF THE EMPLOYEE SHARE SAVINGS PLAN**

19.12.2023 13:00:00 EET | Kempower Oyj | Company Announcement

Kempower Corporation, company announcement, 19 December 2023 at 1.00 pm

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#### **Performance Share Plan 2024-2026**

The Board of Directors of Kempower has resolved to establish a Performance Share 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 2024-2026 consists of a three (3) year performance period, covering the financial years of 2024-2026.

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.

During the performance period, the rewards are based on the Absolute Total Shareholder Return of the Kempower share in 2024-2026, Group Revenue in 2024-2026 and Co2 emission reduction / Revenue in 2024-2026. The value of the maximum rewards to be paid will correspond to a total of approximately 219,400 Kempower's shares including also the cash proportion. The estimated maximum expense for the performance period 2024-2026, based on Kempower's current share value, is EUR 6 416 700 in total.

It is the intention of the Board of Directors that no new shares will be issued in connection with the PSP 2024-2026 and therefore, the PSP 2024-2026 would have no dilutive effect on the number of the Kempower's registered shares.

Approximately 50 persons, including the CEO and other Kempower Management Team members, belong to the target group of the performance period.

#### **Restricted Share Unit Plan 2024-2027**

The Board of Directors of Kempower has resolved to establish a Restricted Share Unit Plan for selected key employees of the group. The purpose of the plan is to align the interests of the company's shareholders and key employees to increase the company's value in the long-term, to commit key employees at the company and to offer them a competitive incentive plan based on receiving the company's shares.

The plan is intended to be used as a tool in situations seen necessary by the Board of Directors, for example ensuring retention of key talents to the company, attracting a new talent or other specific situations determined by the Board of Directors.

The Board of Directors may allocate rewards from the Restricted Share Unit Plan 2024-2027 during financial years 2024-2027. The value of the rewards to be allocated during 2024 on the basis of the plan corresponds to a maximum total of 20,000 shares of Kempower, including also the proportion to be paid in cash. The estimated maximum expense for the rewards to be allocated during 2024, based on Kempower's current share value, is EUR 586 000 in total.

The rewards will be paid by the end of May 2027, 2028, 2029, 2030 or 2031, but always so that there is at least three (3) years between the determination reward and the payment of the reward. The reward is based on a valid employment or director contract and on the continuity of the employment or service.

#### **Employee Share Savings Plan 2024-2027**

The Board of Directors of Kempower has resolved to launch a new plan period 2024-2027 of the Employee Share Savings Plan (ESSP) established in 2023. The overall details of the new plan period are similar to the previous plan period.

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 a 12-month savings period and a holding period following the savings period. The ESSP is offered to all Kempower employees. The employees will have an opportunity to save a proportion of their salaries 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 each two (2) savings share 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.

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 second savings period will commence on 1 April 2024 and end on 31 March 2025. The holding period of the second plan period begins at the first acquisition of savings shares and ends on 31 March 2027. The maximum number of matching shares (gross number before taxes) for the second plan period is approximately 34 130, calculated at prevalent share price. The estimated maximum expense for the second plan period, based on Kempower's current share value, is EUR 1 000 000 in total. The final number of matching shares 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.

## **General**

The rewards will be paid in Kempower shares or partly in Kempower shares and partly in cash. The cash proportion is intended to cover taxes and social security contributions arising from the rewards in those countries where the employer has the obligation to withhold taxes. In general, no reward is paid if the participant's employment or director contract terminates before the reward payment.

The Kempower Management Team member is obliged to hold 50 per cent of the net reward shares received from the Performance Share Plan until the total value of the Management Team member's shareholding in Kempower equals to 50 per cent of their annual base salary of the preceding year. Such number of Kempower shares must be held as long as the membership in the Management Team or the position as the CEO continues.

Further information:

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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](http://www.kempower.com)*

## **Attachments**

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