

DRIVING TECHNOLOGY FORWARD

# MOTORIK

ANNUAL REPORT 2023

# REMUNERATION COMMITTEE REPORT

In 2023, we worked to ensure that the remuneration model for Board members remains competitive, incentivised and proportionate.



## SECTION ONE: STRUCTURE OF THE REMUNERATION COMMITTEE REPORT

In line with the requirements of the UK reporting regulations and the applicable provisions of the Dutch Governance Code, this report is divided into three sections:

1. This Annual Statement: summarising the work of the Remuneration Committee (the Committee) and our approach to Directors' remuneration.
2. The Directors' Remuneration Policy (the Policy): summarising the framework under which Directors' pay is set and how it links to strategy. The Policy has been approved further to a shareholder vote (by way of ordinary resolution) at the 2022 AGM.
3. The Annual Report on Remuneration (the Report), which sets out the remuneration outcomes for 2023 and how, subject to shareholder approval, the Committee applied the Policy in 2023. This section will be subject to an advisory shareholder vote at the AGM.

The Committee is chaired by Måns Hultman (an Independent Non-Executive Director) and its other member is Amir Rosentuler.

## I am pleased to present the Directors' Remuneration Report on behalf of the Board

During 2023, the Committee worked to apply the Policy in line with the relevant corporate governance requirements with the aim of ensuring competitiveness, alignment, incentivisation and proportionality.

The Policy has been designed to provide a remuneration framework that will:

- deliver fair, responsible and transparent remuneration, contributing to creating long-term value by the Company for its stakeholders;
- attract, motivate and retain highly qualified individuals and reward them with a market competitive remuneration package that focuses on achieving sustainable financial results, aligned with the long-term business strategy of the Company;
- align the interests of the Directors with the Company's shareholders and other stakeholders; and
- adhere to principles of good corporate governance and appropriate risk management, whilst ensuring compliance with competitive market trends and statutory requirements, in respect of the societal context around remuneration and the interests of the Company's shareholders and other stakeholders.

After implementing in the prior year the Policy for its Executive Directors and Non-Executive Directors consistently with overarching regulatory requirements and statements set out in the Company's 2021 IPO Prospectus, in 2023 the Committee worked at fine tuning the application of the policy and adapt to the evolution of the business demands and of the strategy, details of which are further set out in the Policy.

MotorK has delivered another successful year of growth. As a Committee, we have sought to make decisions that effectively drive and support growth, whilst continuing to align with best practice remuneration and governance expectations pursuant to the requirements of the UK reporting regulations and the Dutch Governance Code.

I hope that this report is clear and informative.

**Måns Hultman**

Chair of the Remuneration Committee



## SECTION TWO: DIRECTORS' REMUNERATION POLICY

### (a) Introduction

The Committee determines the Company's policy on the structure of the remuneration of Executive Directors and the Executive Management Team, and is responsible for governing the remuneration policy for the broader employee population.

### Procedure

The following summarises the Policy, which codifies our existing principles as previously communicated to potential investors pre-listing. This Policy was approved by the Company's shareholders at the AGM on 28 April 2022. The Policy applies to payments made after that date and is available on the Company's website.

It is intended that the Policy will apply for three years starting from its approval at the 2022 AGM. In light of the Committee's efforts to review the Policy to ensure it allows the Committee to offer an appropriate and balanced remuneration package that reflects the size and complexity of the Group, the Executives' experience, skills and responsibility in the Group as well as market practice, the Committee may seek approval for a new policy at an earlier point if considered appropriate.

When reviewing the Policy, the Committee uses scenario analyses to recognise the different outcomes of the Policy, by taking into account elements such as internal pay differentials and maximum pay-out of annual bonuses and long-term incentives.

### Compliance

The Policy is compliant with the relevant requirements of UK company law, as well as in principle with the rules of the Dutch Governance Code, which the Company applies voluntarily.

### Principles

The objectives of the Policy are to:

- reward Executive Directors and senior management and support a performance-driven culture;
- provide a level of remuneration to attract, motivate and retain high-calibre employees and reward them with a market competitive remuneration package;
- encourage long-term value creation and support the execution of the Company's strategic and operational objectives;
- motivate individuals and align interests of the Executive Directors with the Company's shareholders and other stakeholders; and
- adhere to principles of good corporate governance and appropriate risk management.

The Board of Directors and the Committee believe the aforementioned objectives are best achieved by a remuneration structure whereby:

1. basic pay is set at a level such as to support the recruitment and retention of Executive Directors of the calibre required to implement the Group's business strategy and is reflective of the individual's skills, experience, performance and role within the Group;
2. STIP are set at a level such as to incentivise year-on-year delivery of short-term financial, strategic and operational objectives in furtherance of the Group's business strategy and creation of shareholder value;
3. LTIP are put in place to align the interests of the Directors and shareholders of the Company concerning long-term value creation, providing an avenue through which the Company's executives can earn significant rewards subject to shareholders likewise having obtained a good return; and
4. benefits are provided to executives on a cost-effective basis to aid attraction and retention of Executive Directors.

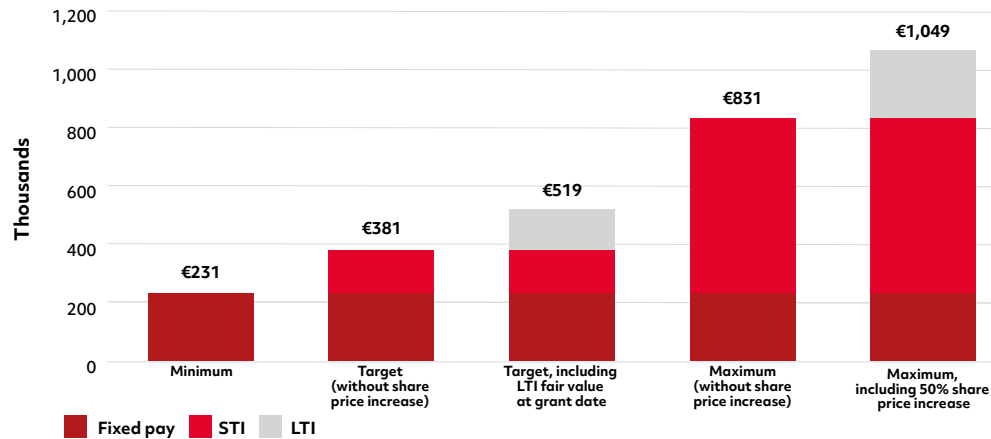
### Illustration of the application of the remuneration policy

Based on the Policy terms described in the next sections, the following charts illustrate the application of the Policy in different scenarios ranging from no to target achievement of the STIP and LTIP targets and conditions, in combination with LTIP shares appreciation over the relevant period ranging from zero to fair value at grant date to 50% increase. The charts are based on the remuneration and on the share value at the time the Policy was adopted.

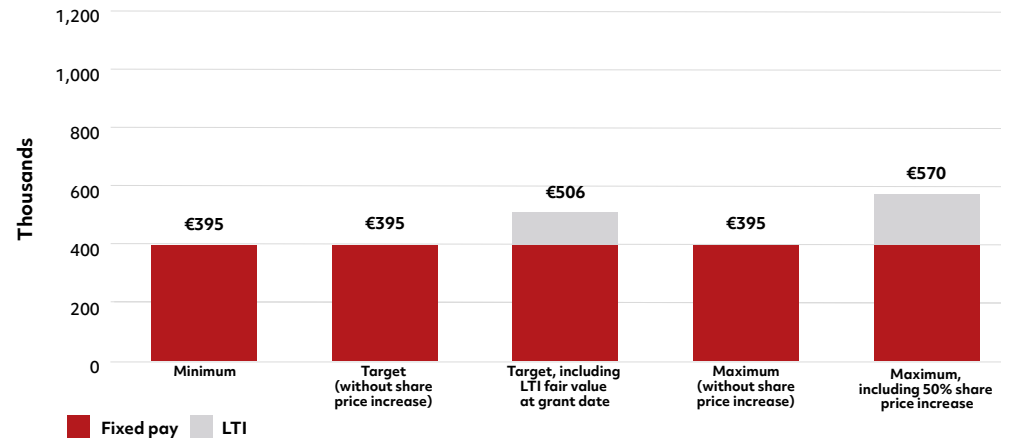
Salary levels (and consequently the other elements of the remuneration package which are calculated as a percentage of salary) are based on those intended to apply in 2023.

The LTIP grant level is shown as 68% of the base salary for the CEO and 33% for the Executive Chairman, in line with the actual grant for the year 2023.

#### Illustration of the application of the policy – CEO



#### Illustration of the application of the policy – Executive Chairman



**(b) Remuneration components for Executive Directors and Executive Management Team (Executives)**

In line with the above principles and objectives, various remuneration components are combined to ensure an appropriate and balanced remuneration package comprising the following elements:

- Fixed remuneration (base salary, benefits and pension).
- Short-term incentive (performance-based cash bonus).
- Long-term incentive (conditional equity-based award that vests based on performance).

<b>Base salary</b>	<b>Purpose and link to strategy</b>	To support the recruitment and retention of talented Executives to deliver the Group's strategy by offering a package that is reflective of the individual's skills, experience and responsibility in the Group, whilst remaining competitive in relevant talent markets.
	<b>Operation</b>	Base salaries are set by the Committee and reviewed on an annual basis. Base salaries are paid in cash on a monthly basis. Base salary levels are targeted at market rates and benchmarked periodically against an appropriate peer group of other companies of a similar financial size and complexity to MotorK.
	<b>Opportunity</b>	Any changes for Executives take into account the individual's skills, experience and performance, significant changes in responsibilities, together with market practice and MotorK's performance and pay practices.  The maximum level of basic salary will not be greater than the current salary as increased, typically in line with the market. If an individual is appointed at a lower salary, for example, to reflect inexperience as a listed company director, larger increases may be awarded over future years as they prove their capability.
	<b>Performance measures</b>	N/A
<b>Pension and benefits</b>	<b>Purpose and link to strategy</b>	Provides an appropriate structure of benefits on a cost-effective basis to aid attraction and retention of Executives.
	<b>Operation</b>	Benefits include provision of death, disability and medical insurance cover, Directors' liability insurance, pension contributions, company car and IT equipment.
	<b>Opportunity</b>	Dependent on individual circumstances and the cost to the Company of providing the benefit.  The Company provides access to pension schemes based on local legal requirements or where provision is customary in a particular local market.  Employer pension contributions to Executives under the defined contribution arrangement and cash allowances in lieu of pension are made at the minimum level required by law or best practice in the relevant jurisdiction.
	<b>Performance measures</b>	N/A
<b>STIP</b>	<b>Purpose and link to strategy</b>	To provide Executives with a reward for delivery of short-term financial, strategic and operational objectives.
	<b>Operation</b>	Executives may be eligible to participate in a discretionary short-term incentive scheme (every six months or annually).  The Committee oversees the setting of suitable short-term targets and performance measures.
	<b>Opportunity</b>	The maximum STIP opportunity under this Policy is 300% of base salary.  Performance below the threshold for each financial target results in zero payment in respect of that element. Payment rises from 0% to 100% of the maximum opportunity for levels of performance between threshold and maximum with 75% of base salary normally payable for on-target performance.
	<b>Performance measures</b>	Subject to the achievement of certain targets relating to financial (including, but not limited to, revenues or adjusted EBITDA achievements) or operational (including, but not limited to, customer satisfaction, geographical expansion, M&A execution) KPIs, depending on the role.

**LTIP**

<b>Purpose and link to strategy</b>	To align the interests of Executives and shareholders in growing the value of the Group over the long term.
<b>Operation</b>	<p>LTIP grants are intended to be made annually and consist of Performance Stock Options (although Conditional Share Awards may also be used). These Performance Stock Options will vest over three years in three equal tranches, to the extent the performance conditions are satisfied.</p> <p>The exercise price of the Options will be equal to the market value of a share in the Company as at the date the Options are granted (potentially averaged over a short period pre-grant). Once exercisable, Options may be exercised until the 10th anniversary of the date of grant. Shares acquired pursuant to the exercise of Options will be subject to a holding period which expires on the fifth anniversary of the date the Option was granted, during which they may not be disposed of (save to cover any tax or social security liabilities which arise on the acquisition of the shares).</p> <p>The Committee retains flexibility, consistent with the rules of the LTIP, to grant Performance Share Awards. Any Performance Share Awards will vest over three years in three equal tranches, but shares will only become eligible to be acquired by participants to the extent the performance conditions are satisfied. The same holding period would apply as applies to Performance Stock Options.</p> <p>Malus and clawback provisions apply (see details below).</p>
<b>Opportunity</b>	<p>The number of Performance Stock Options to be granted and the recipients and quantum will be determined by the Board or Remuneration Committee. The maximum value of Performance Stock Options which may be granted to an Executive Director in any particular financial year is equivalent to 720% of their base salary as at the date of grant.</p> <p>Should the Committee decide to grant Performance Share Awards, the maximum value of Performance Share Awards which may be granted to an Executive Director in any particular financial year is equivalent to 300% of their base salary as at the date of grant.</p> <p>If a combination of Performance Share Awards and Performance Stock Options is granted, the maximum value would be between 300% and 720% of base salary as at the date of grant, adjusted in proportion to the type of award granted.</p> <p>The Committee has the discretion to adjust the formulaic outcome to ensure it reflects the underlying performance of MotorK.</p> <p>A payment equivalent to the dividends accrued on vested shares may be paid at the point of vesting (or in the case of options, exercise) in shares or cash.</p>
<b>Performance measures</b>	<p>Vesting of LTIP awards is subject to the achievement of performance conditions as outlined below. Each of the performance conditions separately determines part of the vesting of the LTIP award. The relative weighting of the performance conditions may be varied by the Committee to ensure the LTIP best supports MotorK's strategy.</p> <p>The Committee will have discretion to set measures and weightings for awards to best support the strategy of the business at that time, provided that the vesting of at least 80% of the LTIP award will be subject to financial-based performance conditions.</p>

### Selection of performance targets

The performance-related elements of remuneration will take into account the Group's risk policies and systems and will be designed to align the Senior Executives' interests with those of shareholders. The Committee reviews the metrics used and targets set for all of the Group's senior executives (not just the Executive Directors) every year, in order to ensure that they are aligned with the Group's strategy and to ensure an appropriate level of consistency of arrangements amongst the Senior Executive Team.

All financial targets will (where appropriate) be set on a sliding scale. Non-financial targets are set based on individual and management team responsibilities. The annual bonus plan performance metrics include a mix of financial targets and non-financial objectives, reflecting the key annual priorities of the Group. The financial metrics include Total Shareholder Return (TSR), which was chosen as it provides an external assessment of the Company's performance against a peer group. TSR also aligns the rewards received by Executives with the returns received by shareholders.

The non-financial objectives will be measurable and based on individual and/or team performance and will be consistent with the achievement of the Group's strategy.

The Committee retains discretion to set targets for future awards, providing that, in the opinion of the Committee, the new targets are no less challenging in light of the prevailing circumstances than those set previously.

### Loans

The Company does not provide any loans or guarantees to Executive Directors and the Executive Management Team.

### (c) Service agreements and policy on payments for loss of office

Executive Directors are appointed at the AGM for the duration of four years. The terms of service may be terminated by the Executive Director with a notice period of six months and by the Company with a notice period of six months or with the applicable statutory notice period. In case the Company terminates the service agreement of an Executive Director (other than in cases of summary dismissal), the Executive Director may be entitled in exceptional circumstances to a severance payment of up to one year's base salary.

### Leaver arrangements

The Company takes into account the terms of service including the variable remuneration plan rules, market practice and the conduct of the individual when determining leaver arrangements. In addition to the

severance payment mentioned above, a leaving Executive Director may be eligible to retain or receive value under their variable remuneration awards, in accordance with the plan rules.

Under the LTIP and the STIP, an Executive Director will be treated as a 'good leaver' if he or she leaves due to death, injury, disability, retirement with the agreement of the Board, redundancy, a transfer of the business unit in which he or she is employed to a third party, circumstances in which the Group company by which he or she is employed ceases to be controlled by the Company, or such other reason as the Committee may in its discretion decide.

<b>STIP</b>	If the executive qualifies as a 'good leaver', the individual may remain eligible for an STIP pay-out with respect to the year of termination on a pro-rated basis and is payable after the end of the financial year.
<b>LTIP</b>	Unvested LTIP awards normally lapse on termination of the service agreement, however if the executive qualifies as a 'good leaver': <ul style="list-style-type: none"> <li>■ Vesting of the LTIP is subject to the application of the performance measures at the end of the normal vesting period and will be on a pro-rated basis.</li> <li>■ Vested awards will remain subject to a two-year holding period.</li> </ul>

### Change of control

In the event of a change of control of the Company:

- Payments under the Annual Bonus plan are calculated on a pro-rated basis and are subject to the application of the performance measures.
- Vesting of the LTIP is subject to the application of the performance measures at the date of the event and will normally be on a pro-rated basis.

Upon a change of control of the Company, the plans will automatically terminate and no further awards will be made.

Outplacement services and legal fees and reimbursement of legal costs may be provided where appropriate. Any statutory entitlements or sums to settle or compromise claims in connection with a termination would be paid as necessary.

The term of appointment for Non-Executive Directors is four years and their appointments are subject to termination on four months' notice other than in cases of summary dismissal. If their position is terminated, they are entitled to reimbursement of any outstanding fees and expenses.

**(d) Malus and Clawback Policy**

LTIP awards may be recovered or reduced in cases of fraud, dishonesty or deceit, gross misconduct, conduct which resulted in significant losses to a Group company, a material failure of risk management or other corporate failure, a serious health and safety event or a material financial misstatement in the audited financial results of the Group. The Committee may apply malus (revise incentive awards prior to vesting) and clawback (reclaim incentive awards post vesting) to reduce an award or determine that it will not vest or only vest in part.

Clawback may operate during the period of two years from the date an LTIP award pays out.

**(e) Use of discretion**

The Committee may apply its discretion in the execution of the remuneration policy or related incentive plans when agreeing remuneration outcomes to help ensure that the implementation of our remuneration policy is consistent with underlying Company performance and is equitable to all stakeholders.

If an event occurs which results in the annual bonus plan or LTIP performance conditions and/or targets being deemed no longer appropriate by the Committee (e.g. a material acquisition or divestment), the Committee will have the ability to adjust appropriately the measures and/or targets and alter weightings, provided that the revised conditions or targets are not materially less difficult to satisfy (taking account of the relevant circumstances).

Ultimately, the payment of any bonus is entirely at the discretion of the Committee. Equally, the operation of share incentive schemes is at the discretion of the Committee.

**(f) Approach to recruitment remuneration**

Executive Directors' base salary is set at a level appropriate to recruit a suitable candidate, taking into account external market competitiveness and internal equity. The level of base salary may initially be positioned below the mid-market of the relevant benchmark, with the intention of increasing it to around the mid-market of the relevant benchmark after an initial period of satisfactory service.

Individuals will be able to receive a contribution to a pension plan in line with the policy.

The Committee will offer benefits in line with the policy for existing Executive Directors (but may consider other benefits from time to time, including relocation expenses).

The Company's policy is to give notice periods according to the applicable statutory notice period and in any case no longer than six months.

**(g) Non-Executive Directors' Remuneration Policy**

The purpose and strategy of the Company's Non-Executive Directors' Remuneration Policy is to provide a competitive fee, which will attract and retain high-calibre individuals and reflects their relevant skills and experience.

Fee levels for each role are determined after considering the responsibility of the role, the skills and knowledge required and the expected time commitments are reviewed periodically considering the salary increase for the general workforce and the level of fees paid by companies of a similar size and complexity.

Additional fees may be paid in relation to extra responsibilities undertaken and in exceptional circumstances, if there is a temporary yet material increase in the time commitments for Non-Executive Directors.

The Company pays any reasonable expenses that a Non-Executive Director incurs in carrying out their duties as a Director, including travel, Directors' and Officers' Liability Insurance, hospitality related and other modest benefits, any tax liabilities thereon and the provision of advice relating to any such tax liabilities, if appropriate.

**(h) Consultation and existing commitments**

The Company and the Group may honour all obligations and commitments that were entered into prior to this Directors' Remuneration Policy taking effect. The terms of those pre-existing obligations and commitments may differ from the terms of this Remuneration Policy and may include (without limitation) obligations and commitments under service contracts, long-term incentive schemes (including previous plans), pension and benefit plans.

Although employees are not consulted directly on Executive Directors' Remuneration Policy, the Committee takes into account the pay and employment conditions of other employees in the Group when setting the remuneration of the Executive Directors.

The remuneration approach is applied consistently at levels below the Executive Directors. At senior levels, remuneration is increasingly long term and 'at risk' with an increased emphasis on performance-related pay and share-based remuneration.



**Chairman's and Non-Executive Directors' Letters of Appointment**

The following table provides details of the terms of appointment for the Chairman and the current Non-Executive Directors:

Director	Date of appointment	Expected expiry date of current term
Amir Rosentuler (Chairman)	11 June 2021	End of the AGM to be held in 2025
Måns Hultman (Non-Executive)	22 August 2016	End of the AGM to be held in 2024
Laurel Charmaine Bowden (Non-Executive)	11 May 2023	End of the AGM to be held in 2027
Mauro Pretolani (Non-Executive)	22 August 2016	End of the AGM to be held in 2024

**SECTION THREE: DIRECTORS' REMUNERATION REPORT****Directors' emoluments and compensation**

Set out below are the Directors' emoluments for the year ended 31 December 2023 and the year ended 31 December 2022: including the fees related to their roles and responsibilities within the Audit Committee, Remuneration Committee and Selection and Nomination Committee. Directors' emoluments reported below may not be totally paid as of 31 December 2023.

Name of Director	Salary and fees (Euro)	Taxable benefits (Euro)	Pension-related benefits (Euro)	Total fixed remuneration	Annual bonus (Euro)	Stock Options Granted (Euro)	Total variable remuneration	Total 2023 (Euro)
Amir Rosentuler	334,108 <sup>1</sup>	–	60,430 <sup>2</sup>	394,538	–	192,183 <sup>3</sup>	192,183	586,721
Marco Marlia	200,000	4,280	26,596	230,876	75,000	103,819 <sup>4</sup>	178,819	409,695
Laurel Charmaine Bowden	–	–	–	–	–	–	–	–
Måns Hultman	37,500	–	–	37,500	–	–	–	37,500
Mauro Pretolani	42,500	–	–	42,500	–	–	–	42,500

1 It includes the remuneration of ILS 1,283,216 translated with the average exchange rate 2023 3.99 Euro/ILS paid by MotorK Israel and the fees related to its roles and responsibilities within Remuneration Committee and Selection and Nomination Committee for €12,500.

2 ILS 241,116 translated with the average exchange rate 2023 3.99 Euro/ILS.

3 140,955 option evaluated with FV determined on the basis of Black-Scholes method of €0.77 and 74,025 option was evaluated with FV determined on the basis of Black-Scholes method of €1.13. 74,025 is the total option granted net of 24,675 lapsed option as one out of the two performance conditions set for such grant was not met.

4 91,875 shares evaluated with FV determined on the basis of Black-Scholes method of €1.13. 91,875 is the total option granted net of 30,625 lapsed option as one out of the two performance conditions set for such grant was not met.

Name of Director	Salary and fees (Euro)	Taxable benefits (Euro)	Pension-related benefits (Euro)	Total fixed remuneration	Annual bonus (Euro)	Stock Options Granted (Euro)	Total variable remuneration	Total 2022 (Euro)
Amir Rosentuler	356,423 <sup>1</sup>	–	57,110 <sup>2</sup>	413,533	–	–	–	413,533
Marco Marlia	200,000	4,369	24,526	228,895	75,000	133,994 <sup>3</sup>	208,994	437,889
Laurel Charmaine Bowden	2,500 <sup>4</sup>	–	–	2,500	–	–	–	2,500
Måns Hultman	37,500	–	–	37,500	–	–	–	37,500
Mauro Pretolani	42,500	–	–	42,500	–	–	–	42,500

<sup>1</sup> It includes the remuneration of ILS 1,205,222 translated with the average exchange rate 2022 3.53 Euro/ILS paid by MotorK Israel and the fees related to its roles and responsibilities within Audit Committee, Remuneration Committee and Selection and Nomination Committee for €15,000.

<sup>2</sup> ILS 201,600 translated with the average exchange rate 2022 3.53 Euro/ILS.

<sup>3</sup> 174,018 shares evaluated with FV determined on the basis of Black-Scholes method of €0.77.

<sup>4</sup> In April 2024, the director Laurel Charmaine Bowden waived the emoluments matured in FY2022 as a member of the Audit Committee.

### Annual bonus

The objective of the annual bonus remuneration component is to ensure that the Executive Directors focus on realising their short-term operational objectives, leading to longer-term value creation.

Following the admission of the Company's shares to Euronext Amsterdam, between the Directors of the Company, only the Chief Executive Officer participated in the annual bonus scheme and was eligible to earn an award of up to 75% of salary, subject to the attainment of specific performance targets to be defined by the Board of Directors upon a proposal of the Committee. The table below summarises the bonus earned for the year:

Name of Executive Director	Bonus for 2023	Bonus for 2022
Marco Marlia	75,000	75,000

Scenario analyses of the possible outcomes of the variable remuneration element of the annual bonus described above and its effect on the remuneration of the CEO were conducted at the point of award. No other scenario analyses have been undertaken by the Committee during the year ended 31 December 2023.

### Pension

During the year ended 31 December 2023, Marco Marlia received pension contributions of €26,596 and Amir Rosentuler received pension contributions of €60,430.

### Payments to past Directors

No payments were made to past Directors during the year ended 31 December 2023.

### Payments for loss of office

No payments for loss of office were made during the year ended 31 December 2023.

**Long-term incentives****EMI Share Option Plan the “Original Share Option Plan”**

In October 2021, with a number of years having elapsed since the original scheme was put in place, the “Original Share Option Plan”, an amended version of the Group share option scheme (the EMI Share Option Plan), was designed and implemented by the Company in anticipation of the listing of the Company’s shares. The EMI Share Option Plan allows for options to be issued over ordinary shares, up to a maximum market value of €3 million at the time of grant.

The option exercise price will usually be at fair market value of the shares at the time of grant. Total options were awarded under the EMI Share Option Plan on admission of the Company’s shares to Euronext Amsterdam equal to approximately 0.5% of the number of ordinary shares in issue at the time, with an exercise price of €0.337 per share. The initial option awards have no performance conditions and vest over a four-year period starting from the day of listing.

Following these grants, the Company has a total of 285,201 unvested options in issue pursuant to the Original Share Option Plan and the EMI Share Option Plan, equating to approximately 0.7% of the issued share capital as at 31 December 2023.

**Omnibus Long Term Incentive Plan the “Omnibus LTIP” or “LTIP”**

In October 2022, a new share-based Long Term Incentive Plan, the “Omnibus LTIP”, was adopted by the Board of Directors further to the approval by the shareholders of the Remuneration Policy. The Omnibus LTIP envisages various types of share-based incentives that can be granted to employees (including Executive Directors) of the Company and its subsidiaries. The terms of the Omnibus LTIP are in line with the remuneration policy.

Further to adoption of the Omnibus LTIP, between December 2022 and January 2023, the Board of Directors awarded performance stock options to Executive Directors, executive management and to all other eligible employees. The exercise price was set at the share market value at grant, ranging between €1.21 and €1.895. The options will vest over a three-year period and the shares awarded further to exercise of the options will be subject to a five-year holding period starting from the grant date.

Between February 2023 and December 2023, the Board of Directors awarded another tranche of performance stock options to Executive Directors, executive management and to all other eligible employees. The exercise price was set at the share market value at grant, ranging between €2.37 and €2.79.

Within the frame of the grants to Executive Directors and Executive Management, the Board of Directors has made use of some discretion within the limits allowed by the Remuneration Policy. The most notable concerned aspects were the exercise schedule, that is set in three equal instalments over the three-year vesting period instead of in full at the end of it and the performance conditions. Stock options granted between December 2022 and January 2023 are 100% linked to ARR growth of at least 25% in 2023. Stock options granted between February 2023 and December 2023 are 75% linked to ARR growth of at least 30% over the estimated 2022 EOY ARR to be achieved by 30 June 2024 and 25% lined to Reported cash EBITDA for FY2023 to be equal or higher than -€10 million. Such second performance condition has not been met and therefore 25% of options related to such grant have been lapsed. The value of the grants to the Executive Directors, based on the market values at the grant date, were below the salary limits set in the remuneration policy in respect of long-term incentives. Such performance condition has been met during FY2023.

Following these grants, the Company has a total of 1,194,729 unvested options in issue pursuant to the Omnibus LTIP, equating to approximately 2.9% of the issued share capital as at 31 December 2023.

**Directors' interest in shares**

The interests of each person who was a Director of the Company (together with interest held by his or her connected parties) were:

<b>Name of Director</b>	<b>Number of shares at 31 December 2023</b>	<b>Number of shares at 31 December 2022</b>	<b>Unvested share options at 31 December 2023</b>	<b>Vested, unexercised share options at 31 December 2023</b>	<b>Options exercised in the period 2023</b>
Amir Rosentuler	120,000	120,000	167,995	1,310,964	–
Marco Marlia	5,481,580	5,481,580	207,887	58,006	–
Laurel Charmaine Bowden	–	–	–	–	–
Måns Hultman	–	–	–	–	–
Mauro Pretolani	138,400	138,400	–	–	–

The option awards held by each Director during the financial year ended 31 December 2023 and 2022 are as follows:

<b>Name of Director</b>	<b>Number at 1 January 2023</b>	<b>Granted in the period 2023</b>	<b>Exercised in the period 2023</b>	<b>Number at 31 December 2023</b>	<b>Exercise price (€)</b>	<b>Vesting period/date</b>
Marco Marlia	174,018	–	–	174,018	1.64	Three years starting from November 2022
Marco Marlia	–	91,875 <sup>1</sup>	–	91,875	2.37	Three years starting from June 2023
Amir Rosentuler	1,263,979	–	–	1,263,979	0.01	November 2021 <sup>2</sup>
Amir Rosentuler	–	140,955	–	140,955	1.21	Three years starting from January 2023
Amir Rosentuler	–	74,025 <sup>3</sup>	–	74,025	2.37	Three years starting from June 2023

1 91,875 is the total option granted net of 30,625 lapsed option as one out of the two performance conditions set for such grant was not met.

2 Mr. Rosentuler was awarded 1,383,979 options pursuant to the EMI Share Option Plan all of which vested immediately prior to the Company's initial public offering. On 5 November 2021, Mr. Rosentuler exercised 120,000 of his vested options and subscribed for 120,000 ordinary shares of €0.01 each in the Company. From 31 December 2021, Mr. Rosentuler held 1,263,979 vested but unexercised stock options.

3 74,025 is the total option granted net of 24,675 lapsed option as one out of the two performance conditions set for such grant was not met.

Name of Director	Number at 1 January 2022	Granted in the period 2022	Exercised in the period 2022	Number at 31 December 2022	Exercise price (€)	Vesting period/date
Marco Marlia	–	174,018	–	174,018	1.64	Three years starting from November 2022

### Total Shareholder Return performance

The Committee has considered the requirement for a performance graph comparing the Company's TSR with that of a comparable indicator. The Committee does not currently consider that including the graph will be meaningful because the Company only listed in November 2021 and has not declared a dividend for the years ended 31 December 2022 and 2023. In addition, the remuneration of the Executives is not currently linked to TSR.

### Annual percentage change in remuneration of Directors and employees and internal pay ratio

The table below shows the percentage change in salary, taxable benefits and annual bonus set out in the figures of remuneration tables paid to each Director in respect of the 2022 and 2023 financial years compared to that of the average pay of all employees of the Group:

Director	Salary/fees % change	Benefits % change	Annual bonus % change
Amir Rosentuler	(6%)	–	–
Marco Marlia	–	(2%)	–
Laurel Charmaine Bowden	(100%)	–	–
Måns Hultman	–	–	–
Mauro Pretolani	–	–	–
Average all employees	(26%)	198%	(41%)

The internal pay ratio is calculated based on the average 2023 remuneration of all Group employees vis-à-vis the 2023 remuneration of the CEO. The internal pay ratio for the year 2023 was 5.70 (4.24 in 2022) for the Chief Executive Officer, Marco Marlia.



**Relative importance of spend on pay**

The chart below shows the difference in actual expenditure between 2022 and 2023 on personnel costs adjusted for all employees, in comparison to investments for future growth in R&D and M&A chosen as a significant benchmark for this analysis due to its relevance for the strategic plans of the Group.

To date, no dividend has been paid by MotorK and there is no intention to pay a dividend at this stage as all monies are being retained in the business for future investment.

**Investments for future growth<sup>1</sup>**

<b>Investments for future growth<sup>1</sup></b>	<b>Personnel costs</b>
€0.6 million	+€4.3 million
(+7%)	+14.4%
2023: €9.4 million	2023: €34.2 million
(2022: €8.8 million)	(2022: €29.9 million)

<sup>1</sup> It is calculated as the amount of cash flow from investing activities – R&D reported in the Group cash movements for the year included in the Financial and Operating Review section.

As the Directors have not recommended a dividend for 2023 or 2022, the Directors do not consider it helpful to the interpretation of the relative importance of spend on pay data to include dividend data in the above chart.

**Statement of implementation of remuneration policy in the following financial year****Salary**

The Committee will keep the level of salaries paid to its employees and Executive Directors under close review and will set it at such a level in order to help achieve the overall objectives of the Policy and generate long-term value for the Company and its shareholders through increased performance. Increases to salaries, if deemed appropriate by either the Committee or employees discharging managerial duties within the Group, will be determined and communicated to employees on an individual basis.

**Annual bonus**

The CEO will be eligible to earn an annual bonus of up to 75% of base salary in line with the previous year in case the targets assigned are 100% achieved.

**LTIP**

The Committee will make awards to the Executives within the MotorK Plc Omnibus LTIP adopted by the Board on 18 October 2022. Currently, with reference to grants awarded between December 2022 and January 2023 the Committee decided to utilise one performance conditions – ARR growth of at least 25% in 2023. With reference to grants awarded between February 2023 and December 2023 two performance conditions have been set up: the first for 75% of the grant will be based on a Committed ARR achievement and the second for the remaining 25% of the grant will be based on Cash EBITDA. The Committee reserves the right to change such performance conditions as long as the revised conditions meet the requirements of the Omnibus LTIP.

**Non-Executive Directors' remuneration**

The Board has reviewed the Non-Executive Directors' fee structure and has agreed a specific rate card based on the roles and responsibilities of the Directors (see table below – annualised amounts, to be paid out proportionately to the actual length of tenure in the year) to take effect from the listing of the Company on 5 November 2021. Please refer to the table below for Directors' emoluments in FY2023 (and comparative data as at 31 December 2022):

<b>Role – FY2023</b>	<b>Laurel Charmaine Bowden (Euro unit)</b>	<b>Måns Hultman (Euro unit)</b>	<b>Mauro Pretolani (Euro unit)</b>
Chairman	–	–	–
Non-Executive Director basic fee	–	30,000	30,000
Additional fees	–	7,500	12,500
Chairman of the Audit Committee	–	–	7,500
Chairman of the Remuneration Committee	–	7,500	–
Chairman of the Selection and Nomination Committee	–	–	–
Member of the Audit Committee	–	–	–
Member of the Remuneration Committee	–	–	–
Member of the Selection and Nomination Committee	–	–	5,000
<b>Total</b>	<b>–</b>	<b>37,500</b>	<b>42,500</b>

<b>Role – FY2022</b>	<b>Laurel Charmaine Bowden (Euro unit)</b>	<b>Måns Hultman (Euro unit)</b>	<b>Mauro Pretolani (Euro unit)</b>
Chairman	–	–	–
Non-Executive Director basic fee	–	30,000	30,000
Additional fees	2,500	7,500	12,500
Chairman of the Audit Committee	–	–	7,500
Chairman of the Remuneration Committee	–	7,500	–
Chairman of the Selection and Nomination Committee	–	–	–
Member of the Audit Committee	2,500 <sup>1</sup>	–	–
Member of the Remuneration Committee	–	–	–
Member of the Selection and Nomination Committee	–	–	5,000
<b>Total</b>	<b>2,500</b>	<b>37,500</b>	<b>42,500</b>

<sup>1</sup> In April 2024, the director Laurel Charmaine Bowden waived the emoluments matured in FY2022 as a member of the Audit Committee.

The remuneration report was approved by the Board on 15 April 2024 and signed on 16 April 2024 on its behalf by:



**Måns Hultman**

Chair of the Remuneration Committee and Director

## COMPANY INFORMATION

<b>Directors</b>	Amir Rosentuler (Chairman) Marco Marlia (Chief Executive Officer) Laurel Charmaine Bowden (Non-Executive Director) Måns Hultman (Non-Executive Director/Independent Director) Mauro Pretolani (Non-Executive Director/Independent Director)
<b>Company Secretary</b>	Gravitas Company Secretarial Services Limited
<b>Registered office</b>	5th Floor, One New Change, London, EC4M 9AF United Kingdom
<b>Company number</b>	09259000
<b>Independent auditors</b>	BDO LLP 55 Baker Street London W1U 7EU
<b>Solicitors</b>	K&L Gates LLP One New Change London EC4M 9AF United Kingdom
<b>Company website</b>	<a href="http://www.motork.io">www.motork.io</a>



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