



## REMUNERATION STATEMENT 2018

### FEES AND OTHER FINANCIAL BENEFITS FOR THE MEMBERS OF THE BOARD OF DIRECTORS AND THE BOARD COMMITTEES

#### Principles and decision-making sequence

Aspo Plc's Annual Shareholders' Meeting decides on the fees and other financial benefits of the members of the Board of Directors and the Audit Committee annually. The fees of the members of the Board of Directors are paid as monetary remuneration. The members of the Board of Directors do not have any share-based incentive plans.

#### The remuneration for the Board of Directors and the Audit Committee, decided by the Annual Shareholders' Meeting 2018

Chairman of the Board of Directors	EUR 5,400 / month
Vice Chairman of the Board of Directors	EUR 4,050 / month
Members of the Board of Directors	EUR 2,700 / month
Chairman of the Audit Committee	EUR 1,050 / meeting
Members of the Audit Committee	EUR 700 / meeting

If the Chairman of the Audit Committee is also the Vice Chairman or the Chairman of the Board of Directors, the fee paid to the Chairman of the Audit Committee is the same as that paid to members of the Audit Committee. Board members employed by or in a service relationship with an Aspo Group company are not paid a fee.

#### Remuneration paid to the members of the Board of Directors

##### **Gustav Nyberg**, Chairman of the Board

Gustav Nyberg was elected as the Chairman of Aspo Plc's Board of Directors as of January 1, 2009. Until the Annual Shareholders' Meeting on April 5, 2017 Gustav Nyberg acted as the full-time Chairman of the Board of Directors. After the Annual Shareholders' Meeting on April 5, 2017 he has acted as the Chairman of the Board of Directors. He has been member of the Board of Directors since 2008.

## REMUNERATION PAID TO THE BOARD MEMBERS 2018, EUR

Nyberg Gustav, Chairman of the Board	64 800
Kaario Mammu, Vice Chairman of the Board (since 4/2018)	48 063
Laine Mikael	35 900
Lencioni Roberto, Vice Chairman of the Board (until 4/2018)	13 365
Pöyry Salla	35 900
Salo Risto	33 100
Vehmas Tatu	26 425
<b>Total</b>	<b>257 553</b>

## REWARDING OF THE CEO AND OTHER MANAGEMENT

### Principles and decision-making sequence

The Aspo Plc's management remuneration consists of the person's fixed monthly salary, a short-term bonus depending on the profit impact of the respective position, and long-term management pension benefits and a share-based incentive plan.

Aspo Plc's Board of Directors makes decisions on the salaries, other financial benefits, and the basis of the bonus plan and share-based incentive plans for the Group's CEO and the Group Executive Committee members.

### Chief Executive Officer

The terms of the CEO's employment relationship have been agreed in writing in the CEO agreement. Since January 1, 2009, the CEO of Aspo has been Aki Ojanen, eMBA.

The period of notice applied to the CEO is six months. If notice is given by the company, severance pay corresponding to 18 months' salary will be paid in addition to the salary for the notice period.

The retirement age of the CEO is the lowest possible retirement age less three years. The CEO has a defined contribution pension insurance plan in which the pension is determined in accordance with the accumulated insurance savings at the time of retirement.

**MANAGEMENT SALARIES AND BENEFITS 2018, EUR**

		<b>Maximum</b>
<b>Chief Executive Officer</b>		
Salary	381 289	
Result-based bonus 2017	150 879	234 091
Share-based payment	289 622	371 700
Tyel pension	89 819	
Supplementary pesion insurance	102 835	
<b>Total</b>	<b>1 014 444</b>	
<b>Chief Executive Committee (excl. CEO)</b>		
Salaries	1 082 195	
Result-based bonuses	254 952	336 305
Share-based payments	637 859	774 375
Tyel pension	233 534	
Supplementary pension insurances	90 533	
<b>Total</b>	<b>2 299 073</b>	

**REMUNERATION AND INCENTIVE PROGRAMS****Bonus plan based on the company's result (short-term incentive plan)**

Aspo has a result-based incentive plan for the management. The maximum bonus may differ up to a sum equivalent to three to eight months of the employee's salary. The maximum bonus of the CEO is a sum equivalent to eight months' salary. The criteria used in the bonus plan include annual requirements and the development preconditions of the area for which the person has responsibility. The fulfilling of the bonus plan criteria is monitored annually. The criteria and payments paid according to the criteria are approved by Aspo Plc's Board of Directors. Bonuses recognized annually are paid after the completion of the annual financial statements.

**Share-based incentive plan 2015-2017 (long-term incentive plan)**

The Board of Directors of Aspo Plc approved a share-based incentive plan for the Group management in 2015. The aim of the plan was to combine the objectives of the shareholders and those within the plan in order to increase the value of the company, to commit the persons to the company, and to offer them a competitive incentive plan based on a long-term holding of the company's shares.

The plan included three earnings periods, the calendar years 2015, 2016 and 2017. The prerequisite for participation in the plan and for receipt of reward on the basis of earnings period 2016 was that a person acquired the company's shares, or held the company's shares, up to the number predetermined by the Board of Directors. The reward was based on the Aspo Group's earnings per share (EPS) indicator.

In the incentive plan, the restriction period begins from reward payment and ends on December 31, 2017 for the net shares earned on the basis of the earnings period 2015, on December 31, 2018 for the net shares earned on the basis of the earnings period 2016 and on December 31, 2019 for the net shares earned on the basis of the earnings period 2017.

In 2018, on the basis of the 2017 earnings period, employees included in the plan received 70,525 treasury shares as a share-based reward, as well as cash equaling the value of the shares, at most, in order to pay taxes. In year 2018 in accordance with the rules of incentive plans a total of 4,400 treasury shares, originally granted on the basis of share-based incentive plans during 2016 and 2017, were returned to Aspo due to ended contracts of employment.

### **Share-based incentive plans 2018–2020**

The Board of Directors of Aspo Plc has approved three new share-based incentive plans for the Group key employees in April 2018. The aim of the new plans is to combine the objectives of the shareholders and the key employees in order to increase the value of the company in the long-term, to retain the key employees at the company, and to offer them competitive reward plans based on earning and accumulating the company's shares.

#### **Share-based incentive plan 2018–2020**

The share-based incentive plan 2018–2020 includes three earnings periods, calendar years 2018, 2019 and 2020. The Board of Directors of the company will resolve on the plan's performance criteria and required performance levels for each criterion at the beginning of each earnings period. The potential reward of the plan from the earnings period 2018 will be based on the Group's earnings per share (EPS).

The share-based incentive plan is directed to approximately 15 people, including the members of the Group Executive Committee, during the earnings period 2018. The rewards to be paid on the basis of the share-based incentive plan 2018–2020 correspond to the value of a maximum total of 500,000 Aspo Plc shares including also the proportion to be paid in cash.

#### **Executive Committee share-based incentive plan 2018–2020**

The Executive Committee share-based incentive plan 2018–2020 includes one earnings period, calendar years 2018–2020. The potential reward of the plan from the earnings period 2018–2020 will be based on the Group's operating profit (EBIT), and the reward payment requires exceptional performance.

The potential reward from the earnings period 2018–2020 will be paid partly in the company's shares and partly in cash in 2021. The rewards to be paid on the basis of the earnings period 2018–2020 correspond to the value of a maximum total of 200,000 Aspo Plc shares including also the proportion to be paid in cash.

### Restricted share-based incentive plan 2018

The reward from the restricted share-based incentive plan 2018 will be based on the participant's valid employment or service and the continuation of employment during the vesting period. The reward will be paid partly in the company's shares and partly in cash after the end of a 12–36 month vesting period. The restricted share-based incentive plan is intended solely for individual key employees by a special resolution of the Board of Directors. The rewards to be paid on the basis of restricted share-based incentive plan 2018 correspond to the value of a maximum total of 100,000 Aspo Plc shares including also the proportion to be paid in cash.

Aspo does not have a separate stock option plan.

### **Supplementary pensions**

The CEO and two members of the Group Executive Committee are eligible for a defined contribution pension insurance plan. The retirement age is the lowest possible retirement age less three years whereupon the payment of contribution ends. The receiving of a pension ends at the age of 75. The pension is determined in accordance with the accrued insurance savings at the time of retirement. The start of receiving the pension can be postponed, at most, until the age of 70. In that case, the pension is determined on the basis of insurance savings adjusted in accordance with the value development of related investment objects.

If the person's employment to the company ends before the contractual retirement age, the person is entitled to a paid-up policy – a paid-up insurance that corresponds to insurance savings accumulated by the end of the person's employment. The person is always entitled to a paid-up policy that corresponds to his or her own share of contribution.

March 13, 2019

Aspo Plc