

## REMUNERATION STATEMENT 2014

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

#### 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 compensation. The members of the Board of Directors do not have any share-based incentive plans.

#### The meeting fees for the Board of Directors and the Audit Committee, decided by the Annual Shareholders' Meeting 2014

Chairman	EUR 15,500 / month
Vice-Chairman	EUR 3,600 / month
Members of the Board of Directors	EUR 2,400 / month
Audit Committee members	EUR 700 per meeting

Board members do not receive any remuneration if they have a work or employment relationship with an Aspo Group company.

### REMUNERATION PAID TO THE MEMBERS OF THE BOARD OF DIRECTORS

#### Gustav Nyberg, Full-time Chairman of the Board

Gustav Nyberg was elected as the Chairman of Aspo Plc's Board of Directors as of January 1, 2009. He has been a member of the Board of Directors since 2008.

Aspo Plc and Gustav Nyberg have signed an executive contract which defines the progress of the strategy process and participation in investor relations to be under his responsibility. The contract took effect on January 1, 2011. According to the chairmanship of the Board and the executive contract, Gustav Nyberg's position in the company is full-time Chairman of the Board.

According to the executive contract, the period of notice applied from the company's side is 6 months and from Gustav Nyberg's side 3 months. If notice is given by the company,

severance pay corresponding to 4 months' salary will be paid in addition to the salary for the notice period.

The compensation paid to Gustav Nyberg on the basis of the executive contract does not exceed the total remuneration decided by the Annual Shareholders' Meeting to be paid to the Chairman of the Board of Directors.

Gustav Nyberg is covered by Aspo Plc's payment-based additional pension arrangement. According to the additional pension insurance policy, the retirement age is 60 years and the pension is determined on the basis of the accumulated insurance savings at the time of retirement.

#### **Remuneration paid to the Board members in 2014, EUR:**

Nyberg Gustav, Chairman of the Board	186,000 *
Arteva Matti, Vice-Chairman of the Board	43,200
Kaario Mammu	33,700
Karppinen Esa (Member until 3/2014)	7,200
Lencioni Roberto	33,700
Pentti-von Walzel Kristina	33,700
Salo Risto	28,800
<b>Total</b>	<b>366,300</b>

\* including voluntary pension insurance payment EUR 87,220

## **REWARDING THE CEO AND OTHER MANAGEMENT**

### **Principles and decision-making sequence**

The Aspo Plc management bonus programs consists of the employees' fixed monthly salary, a short-term bonus paid on the impact of their tasks on the company result, and long-term rewards including management pension benefits and a share-ownership plan.

Aspo Plc's Board of Directors makes decisions on the salaries, other financial benefits, and the basis of the bonus program 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 in the employment relationship of 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 60. The CEO has a payment-based pension plan in which the pension is determined based on the accumulated insurance saving at the time of retirement.

## Rewarding to management paid, EUR:

### Chief Executive Officer

Salary	342,447
Result-based bonus	166,516
Share-based payment	39,479
Statutory pension payment	94,849
Voluntary pension payment	71,979
<b>Total</b>	<b>715,271</b>

### Group Executive Committee (excl. Chief Executive Officer)

Salaries	981,995
Result-based bonuses	113,584
Share-based payments	82,240
<b>Total</b>	<b>1,177,818</b>

## REMUNERATION AND INCENTIVE PROGRAMS

### Result-based bonus plan (short-term incentive program)

Aspo has a result-based incentive plan for the management, including about 30 employees in addition to the Group Executive Committee members. 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 Group-level result requirements and the development preconditions of the area for which the executive has responsibility. The fulfilling of the bonus program criteria is monitored annually. The payments paid

according to the bonus program must be approved by Aspo Plc's Board of Directors. Bonuses recognized annually are paid after the completion of the annual financial statements.

### **Share-ownership plan in 2012-2014 (long-term incentive program)**

In 2012, Aspo's Board of Directors decided on a share-based incentive plan for about 30 persons. The aim of the plan is to combine the objectives of shareholders and those within the plan in order to increase the company's value, 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 includes three performance periods, i.e. the calendar years 2012, 2013 and 2014. The Board of Directors will decide on the plan's earning criteria and their objectives at the beginning of each period. Participation in the plan and obtaining a reward for 2012 required that the person acquired Aspo's shares or holds the number of shares in Aspo or Aspo Management Oy up to the number predetermined by the Board. The reward over the 2013 earning period was based on the Aspo Group's earnings per share (EPS) indicator.

The shares paid during the earning periods cannot be transferred during the commitment period, which ends within two years of the earning period. If a person's employment or official relationship ends during the commitment period, the person must gratuitously return any shares paid as reward to the company. The estimated amount of rewards paid on the basis of the Board's original decision corresponds with the value of 936,000 shares in Aspo Plc (including the proportion paid in cash). The proportion allocated for 2012, corresponding to one-third of the shares, did not generate any reward. The amount of share bonus for the 2013 vesting period corresponded to approximately 38,511 shares in Aspo Plc on the date of decision. On the basis of the 2014 earnings period, individuals covered by the plan received 94,786 shares held by the company as a share-based bonus, as well as money equaling the value of the shares at most in order to pay taxes.

### **Share-ownership plan in 2015-2017 (long-term incentive program)**

The Board of Directors of Aspo Plc has approved on February 11, 2015, a new share-based incentive plan for the Group key personnel.

The aim of the new plan is to combine the objectives of the shareholders and the key personnel in order to increase the value of the Company in the long-term, to commit the key personnel to the Company, and to offer them a competitive reward plan based on earning and accumulating the Company's shares.

The new plan includes three performance periods, the calendar years 2015, 2016 and 2017. The prerequisite for participation in the plan and for receipt of reward on the basis of performance period 2015 is that a key person acquires the Company's shares, or holds the Company's shares, up to the number predetermined by the Board of Directors.

Aspo's Board of Directors will decide on the plan's performance criteria and required performance levels for each criterion at the beginning of each performance period.

### **Shareholding program (long-term incentive program)**

Aspo had a shareholding plan for Aspo Group's management. The purpose of the plan was to enable considerable long-term ownership in Aspo for those involved in the plan. Aspo Management Oy, who was owned by the persons involved in the plan, acquired 509,612 Aspo shares. The plan was not dissolved in spring 2014 in line with the original plan. After the system reached its objective in terms of long-term ownership, a decision to dissolve the system was made in October 2014. The shareholders of Aspo Management Oy and Aspo agreed on a share swap by which the management's ownership was converted to direct share ownership. In the share swap, Aspo acquired all the shares in Aspo Management, and the shareholders of Aspo Management received shares in Aspo in return. To implement the share swap, the Aspo Board of Directors decided on a directed share issue in which Aspo transferred 100,626 Aspo shares held by the company.

Aspo does not have a separate stock option plan.

### **Supplementary pensions**

The Chairman of the Board of Directors, the CEO and two directors of the Group Executive Committee at Aspo Plc are eligible for a payment-based group pension insurance plan. The retirement age is 60 whereupon the payment of contribution ends. The receiving of a pension ends at the age of 70. The pension is determined in accordance with the accrued insurance savings at the time of retirement. The receiving of 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 employment ends before the contractual retirement age as a result of a notice given by the employer due to production and financial reasons, the person is entitled to a paid-up policy – a paid-up insurance that corresponds to insurance savings accrued 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.