

# QPR Software's Remuneration Statement 2016

## Remuneration Procedures

QPR Software Plc's Annual General Meeting elects the members of the Board of Directors and decides the remunerations of the Board and the audit. The Board of Directors decides and approves the CEO's terms of service in writing. The remuneration principles of the executive management are decided by the Board of Directors. The Board of Directors approves the incentive scheme of personnel annually. The Company does not have any exceptional pension arrangements for the CEO or the members of the Executive Management Team.

The Company does not have any stock option schemes. The Company did not have share-based incentive schemes in 2016 and 2015.

## Board of Directors

The Annual General Meeting on March 22, 2016 decided an annual remuneration of EUR 16,820 for each Board member (2015: 16,820) and a remuneration of EUR 25,230 for the Chairman of the Board (2015: 25,230). The annual remuneration is paid monthly in the last working day of each month and in proportion of the annual payment.

The members of the Board of Directors do not have any retirement age or exceptional pension arrangements. The Annual General Meeting on March 22, 2016 also decided unanimously to compensate travel costs for the Board members in accordance with the maximum tax-free limits reinforced by the tax authority.

No shares or share-based rights were paid as remuneration for the members of the Board of Directors in 2016.

## Chief Executive Officer

The Board of Directors decides and approves CEO's terms of service in a written agreement. The terms of service of the current CEO are as follows:

- the period of notice for the CEO is three (3) months mutually. If the contract is terminated by the Company, compensation is equivalent to six (6) month's total salary in addition to the salary paid for the termination period;
- the Company, however, has a right to release CEO from his duties immediately without a period of termination;
- the length of non-competition obligation is six (6) months following the termination of contract;
- performance bonus is agreed separately in accordance with the principles adopted in the Executive Management Team;
- retirement age and benefits are in accordance with the Finnish pension legislation.

CEO's remuneration includes salaries, fringe benefits and bonus in accordance with the principles approved annually by the Board of Directors.

In 2016, CEO's salary with benefits was EUR 195,569 (2015: 196,229). The share of regular salary was EUR 180,278 (179,018) and the share of fringe benefits was EUR 12,696 (12,852). No bonus was paid to the CEO. No QPR Software's shares, share-based rights or other long-term incentive instruments were allocated to the CEO.

## Supervisory Board

QPR Software Plc has no Supervisory Board.

## Executive Management Team

The remuneration of QPR Software Plc' executive management includes salaries, fringe benefits and bonus in accordance with the principles approved annually by the Board of Directors.

### QPR SOFTWARE PLC'S EXECUTIVE MANAGEMENT TEAM 2016

As of January 2016, the Executive Management Team of QPR Software Plc consisted of Chief Executive Officer Jari Jaakkola (chairman), Maija Erkheikki, Matti Erkheikki, Jaana Mattila, Miika Nurminen and Jaakko Riihinen.

Maija Erkheikki started her maternity leave on July 27, 2016, since then Jari Jaakkola assumed her tasks until the end of the year. From the beginning of 2017, Channel business, Customer Service and Marketing were combined into Process Mining intelligence business. Matti Erkheikki was appointed to lead the new unit of Process Mining and Strategy Management.

In 2016, the members of the Executive Management Team, excluding CEO, were paid a total of EUR 474,992 as salaries (2015: 546,691) and EUR 14,798 as fringe benefits (15,321). They were paid no bonuses for the year 2016 (8,283).

No QPR Software's shares, share-based rights or other long-term incentive instruments were allocated to the members of the Executive Management Team, including CEO, in 2016 or 2015.

## Bonus Scheme for Executive Management

### BONUS SCHEME FOR 2016

In 2016, the maximum annual bonus of Executive Management Team, including the CEO, was 30% of the annual base salary. The bonus system for the Executive Management Team was based mainly on development of the Group net sales in 2016.

For financial year 2016 a total bonus of EUR 10,000 (EUR 8,283) be paid in cash. The bonus was paid to the persons included in the bonus system and who were employed by the Company on February 28, 2017.

### BONUS SCHEME FOR 2017

In 2017, the maximum annual bonus of Executive Management Team, including the CEO, is 30% of the annual base salary. The bonus system for the Executive Management Team is based on development of the Group net sales, the net sales and new sales of profit centres as well as the technology sales of the Group in 2017.

A possible bonus will be paid to the persons included in the bonus system and who will be employed by the Company on February 28, 2018.