

QPR Software's Remuneration Statement 2018

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 did not have share-based incentive schemes in 2018 and 2017.

Board of Directors

The Annual General Meeting on April 12, 2018 decided an annual remuneration of EUR 16,820 for each Board member (2017: 16,820) and a remuneration of EUR 25,230 for the Chairman of the Board (2017: 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 April 12, 2018 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 2018.

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 2018, CEO's salary with benefits was EUR 199,053 (2017: 205,013). The share of regular salary was EUR 191,140 (182,405) and the share of fringe benefits was EUR 5,080 (11,520).

Supervisory Board

QPR Software Plc does not have a 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 2018

As of January 2018, the Executive Management Team of QPR Software Plc consisted of Chief Executive Officer Jari Jaakkola (chairman), Tero Aspinen, Matti Erkheikki, Jaana Mattila, Miika Nurminen and Jaakko Riihinen.

In 2018, the members of the Executive Management Team, excluding CEO, were paid a total of EUR as salaries 542,498 (2017: 484,188) and EUR 14,793 as fringe benefits (14,379).

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 2018 or 2017.

Bonus Scheme for Executive Management

Bonus Scheme for 2018

In 2018, 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 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 2018.

For financial year 2018 a total bonus of approximately EUR 22,000 (2017: EUR 19,000) was 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, 2018.