

REMUNERATION STATEMENT

BOARD OF DIRECTORS

Remuneration

The Annual General Meeting resolves the remuneration paid to the Board of Directors.

According to the resolution made in 2011, remuneration of EUR 30,000 euros per term will be paid to the Board members, EUR 45,000 per term to the Vice Chairman of the Board and EUR 60,000 per term to the Chairman of the Board, as well as travel and accommodation expenses relating to Board meetings. In addition, the Chairman and members of the audit committee are paid an additional annual remuneration of EUR 5,000. Remuneration is paid in four equal installments on a quarterly basis.

Other benefits

The Board of Directors is not included in the stock option schemes of years 2006 or 2009. The company has not granted shares or other share related rights as compensation to the Board of Directors. The company does not pay Board members fees on any other basis or grant them loans or give guarantees on their behalf.

PRESIDENT AND EXECUTIVE BOARD

President

The Board of Directors decides on the salary and other benefits of the President. The President is included in the management's bonus system, with the annual bonus being a maximum of six months' salary, depending on the achievement of the objectives set annually. The President's service contract has provision for a notice period of three (3) months on the President's part and six (6) months on the company's part, without separate severance payment. The retirement age is statutory and no voluntary pension insurance policies have been taken.

The President is included in the 2006 and 2009 stock option schemes. The President has not otherwise been granted shares or other share related rights as compensation.

Executive Board

The Board of Directors confirms the salaries and benefits of the members of the Executive Board upon President's proposal. The members of the Executive Board are included in the management's bonus system, with the annual bonus being a maximum of six months' salary,

depending on the achievement of the objectives set annually. The members of the Executive Board have employment contracts valid for an indefinite period, with three (3) months notice period on director's part and six (6) months notice period on company's part, without right to separate severance payments or other compensation. In the service contracts of the subgroups' parent companies' managing directors it is furthermore agreed that a separate severance payment corresponding to six (6) months salary at a maximum, is paid in addition to the salary for the notice period. The retirement age is statutory and no voluntary pension insurance policies have been taken.

The members of the Executive Board are included in the 2006 and 2009 stock option schemes. The company has not granted shares or other share related rights as compensation to the Executive Board. The company exceptionally granted to some members of the Executive Board a market-based loan to finance the subscription of shares with options.

Bonus System

The Group has in force a result based bonus system approved by the Board of Directors, the purpose of which is to support company strategy and reward its implementation. The principles, terms and conditions, earnings criteria, maximum and minimum limits of targeted yield levels and persons included in the system are confirmed annually by the Board. Group management and key personnel, and also clerical staff and employees in Finland, are included in the system. The members of the Executive Board are included in the management's bonus system, with the annual bonus being a maximum of six months' salary, depending on the achievement of the objectives set annually. The system's earning period is the financial year.

AUDITOR

The Annual General Meeting resolves the remuneration and the ground for compensation of travelling expenses of the auditor. In 2011, the Annual General Meeting resolved to pay auditor's fees and travel expenses in accordance with a reasonable invoice.

BOARD REMUNERATION PER TERM RESOLVED BY THE ANNUAL GENERAL MEETING IN YEARS 2009–2011, EUR

	2011	2010	2009
Chairman of the Board	60,000	50,000	50,000
Vice Chairman of the Board	45,000	37,500	37,500
Member of the Board	30,000	25,000	25,000
Chairman of the Audit Committee	5,000	5,000	5,000
Member of the Audit Committee	5,000	5,000	5,000
Chairman of Nomination Committee	-	-	-
Member of Nomination Committee	-	-	-

REMUNERATION PAID TO BOARD MEMBERS FOR BOARD AND COMMITTEE WORK, EUR 1,000

	Remuneration for Board work		Remuneration for Audit Committee work		Total	
	2011	2010	2011	2010	2011	2010
Matti Hyytiäinen ³⁾	29	18	5	5	34	23
Outi Lampela ³⁾	29	25	5	5	34	30
Endel Palla ⁴⁾	29	25			29	25
Olli Pohjanvirta ⁴⁾	29	25	5	5	34	30
Matti Ruotsala ^{1), 4)}	58	50			58	50
Jyrki Tähtinen ^{2), 4)}	52	38			52	38

¹⁾ Ruotsala Chairman of the Board ²⁾ Tähtinen Vice Chairman of the Board ³⁾ Lampela Chairman of the Audit Committee, Hyytiäinen and Pohjanvirta members ⁴⁾ Ruotsala Chairman of Nomination Committee, Palla and Tähtinen members
(No remuneration is paid for Nomination Committee work)

SALARIES AND BONUSES PAID TO THE PRESIDENT AND OTHER EXECUTIVE BOARD MEMBERS, EUR 1,000

	Salaries		Bonuses		Total	
	2011	2010	2011	2010	2011	2010
Harri Suutari	325	298	134	144	459	442
Other Executive Board	759	764	245	322	1,004	1,086

OPTIONS GRANTED TO THE PRESIDENT AND OTHER EXECUTIVE BOARD MEMBERS IN 2011

	2009A	2009B	2009C
Harri Suutari	6,000	6,000	-
Other Executive Board	4,000	4,000	70,000

OPTIONS HELD BY THE PRESIDENT AND OTHER EXECUTIVE BOARD MEMBERS ON 31 DECEMBER 2011

	2006A	2006B	2006C	2009A	2009B	2009C
Harri Suutari	-	-	-	36,000	26,000	-
Other Executive Board	-	66,000	69,400	70,500	79,000	70,000
Total	-	66,000	69,400	106,500	105,000	70,000

Share ownership by the Board of Directors and Executive Board on 31 December 2011 is presented in the Financial Statements in the Shares and Shareholders section.

FEES PAID TO THE AUDITOR, EUR 1,000

	Audit		Assignments		Tax services		Other services		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
KPMG Oy Ab	364	133	1	3	197	411	13	-	575	548
Ernst & Young Oy*	-	54	-	-	-	5	-	5	-	64

*Until 31 March 2010