

## REMUNERATION STATEMENT 2012

Information on the remuneration and other financial benefits of the Board of Directors as well as the total number of shares and stock options held by the President and CEO and the Management Team are published in the Annual Report and on the company's website.

The main criteria concerning the compensation system covering the President and CEO and other executives are decided upon by the Board of Directors and they are disclosed in the Annual Report and on the company's website.

### Remuneration and other benefits of the Members of the Board

Annual General Meeting will decide on the remuneration for the Board members. The Annual General Meeting held on 13 April 2011 decided that the annual fee to be paid for Chairman of the Board is EUR 48,000, for the Vice-Chairman of the Board EUR 36,000 and for the Board members EUR 24,000. Moreover, EUR 200 will be paid for each meeting for those who have been present. There will be no fee paid for conference calls. Eventual travel expenses are compensated according to the travel regulations of the company. In 2011, the fees paid to the Board members amounted to EUR 156,000.

The Board members have no other financial benefits. None of the Directors is part of the share-based compensation system.

### Remuneration of the President and CEO and the members of the management team

The Board of Directors decides on the President and CEO's salary and other benefits. The terms and conditions of the President and CEO's employment are specified in writing in his or her written employment contract that is approved by the Board of Directors. The President and CEO is paid a fixed salary. In 2011, the salary paid to the President and CEO amounted to EUR 218,365 and the remuneration to EUR 40,000. The chief executive's period of notice is six months, and if his executive contract is terminated by the company, he will be paid the salary during the period of notice.

The retirement age of the President and CEO and the Management Team members is determined in accordance with the Employees' Pensions Act.

The Management Team's terms of employment and pay are approved by the Board of Directors, which is also deciding on the Group's performance bonus system. The remuneration of the Management Team members consists of base pay and benefits, short-term incentives, i.e. an annual bonus, and long-term incentives such as option programmes.

#### Base pay and benefits

The Management Team is paid a fixed salary, which is determined in the management contracts. In 2011, salaries and other short-term employee benefits paid to the Management Team members amounted to EUR 795,813. Of the salary and remuneration paid to the President and CEO and the Management team during the financial year 2011, 95% fell for the fixed salary.

### Short-term incentives

President and CEO and other Management Team members participate in annual bonus program. Bonus for the Management Team members is at the maximum 50% of the annual base salary. The bonus system is based on financial targets. In year 2011 targets are sales margin and operating profit (EBIT). The targets for 2011 focus on enabling the growth in 2012–2014, on increasing sales and on enhancing the efficiency of global sourcing and manufacturing. The amount of bonuses is decided by the Board of Directors after the financial statements have been prepared. In 2011, the bonus paid for the Management Team amounted to EUR 40,000.

### Long-term incentives

President and CEO and the Management Team members participate in the share-based option scheme launched in 2009. The management is granted options based on the realisation of the targets set by the Board of Directors. The Board of Directors has distributed to President and CEO 100,000 A-options and 100,000 B-options, and to other Management Team members a total of 141,000 C-options. There are no restrictions set on the ownership or selling of the option rights or shares.

At the end of the financial year 2011, the Board members and their interest parties, the President and CEO and the Management Team members owned a total of 3,402,760 shares and 341,000 options.