
REMUNERATION STATEMENT 2011

Principles applied to remuneration schemes

The goal of remuneration schemes is to promote competitiveness and long-term financial success of the Company and to contribute to the favourable development of shareholder value. Remuneration schemes are based on predetermined and measurable performance and result criteria.

The task of Board's Nomination and Remuneration Committee is to assist the Board of Directors in matters related to the remuneration of the Company's CEO, the deputy CEO and other executives and to prepare matters related to the reward schemes for employees.

Decision-making process

The General Meeting shall decide on the remuneration payable for Board and Committee work as well as the basis for its determination. The Nomination and Remuneration Committee has been assigned the duty of preparing the remuneration of the Board. The Board of Directors shall decide on the remuneration of the CEO as well as other compensation payable to him or her. The compensation principles for the Management Group are determined by the CEO in cooperation with the Board of Directors.

Remuneration of the Board of Directors

According to the resolution passed by the Annual General Meeting of 2011, the remuneration for each member of the Board of Directors is 600 euros per meeting and for the Chairman of the Board of Directors 1,200 euros per meeting. In addition, each member of the Board receives 1,700 euros per month and the Chairman of the Board of Directors 3,400 euros per month. Daily allowances and travel expenses are paid to the Board members according to the Company's travel policy.

According to the resolution passed by the Annual General Meeting of 2011, the remuneration for each member of the Nomination and Remuneration Committee is 600 euros per meeting and for the Chairman of the Nomination and Remuneration Committee 1,200 euros per meeting. In addition daily allowances and travel expenses are paid for the meetings to the committee members according to the Company's travel policy.

Remuneration for Board and Committee work is not paid in the form of Company shares and the Board members are not in the target group of Company's share-based incentive plan.

Remuneration of the CEO and other executives

The CEO's compensation consists of a basic salary and a yearly bonus decided annually by the Board on the basis of the corporation's financial result and other key targets. The maximum amount of yearly bonus is decided annually. In addition the CEO has car and phone benefits. The CEO belongs to the target group of a share-based incentive plan for the key employees of Etteplan Group. Statutory retirement age applies to the CEO. In the event of dismissal, the CEO is at the most entitled to receive compensation equivalent to 18 months' salary which includes the salary for a six-month term of notice.

No changes have occurred in the CEO's compensation principles in connection with the CEO change on January 1, 2012.

The system of compensation for the members of the Management Group includes a base salary and a performance based bonus. The principles for performance based bonus are decided annually. In 2011 the bonus was based on Company's operative cash flow. The maximum of the yearly bonus is 25-100 percent of the recipient's annual salary depending on the member's duties. Members of the Management Group are included in the share-based incentive plan for the Company's key personnel. No separate agreement has been made regarding early retirement for members of the Management Group. In the event of dismissal, a Management Group member is at the most entitled to receive compensation equivalent to 10 months' salary which includes the salary for a four-month term of notice.

Information on the service contract of the CEO

In 2011, President and CEO Matti Hyytiäinen's basic salary was EUR 307,502. In 2011, his car and phone benefits totaled to EUR 14,283. In addition, EUR 161,064 performance based bonus accrued from year 2010 was paid to President and CEO in 2011.

President and CEO Matti Hyytiäinen's employment at Etteplan ended on December 31, 2011. Basic salary was paid to him until December 31, 2011. In addition EUR 38,000 performance based bonus accrued from year 2011 will be paid to Matti Hyytiäinen in 2012.

According to the resolution made by the Board of Directors of Etteplan Oyj no company-held shares were disposed for the 2011 earnings period of the share-based incentive plan.

In 2011 no additional accrual basis pension insurance policy was paid for the President and CEO Matti Hyytiäinen.

Share-based incentive plan

The Board of Directors of Etteplan Oyj decided on a new share-based incentive plan for the Group key personnel in March 2011. The share-based incentive plan offers the target group the opportunity to receive Etteplan Oyj shares as remuneration for achieving the set targets.

The plan includes three earning periods: calendar years 2011, 2012 and 2013. The amount of remunerations paid is tied to the objectives that are set annually. The Board is authorized to make decisions related to the share-based incentive plan by earnings period.

At the beginning of each earnings period, the Board of Directors reviews the target group and specifies the maximum number of shares per person that can be earned. Remunerations paid out from the incentive plan are paid in three instalments, partly as company shares and partly in cash. The part paid in cash covers the taxes and tax-like fees paid for the remuneration. An earnings period is followed by a mandatory two-year ownership period. The rewards to be paid on the basis of the plan from all earning periods 2011, 2012 and 2013 will correspond to the value of an approximate maximum total of 810,000 Etteplan Oyj shares (including also the proportion to be paid in cash).

If employment is terminated during the earnings or ownership period, the shares must be returned to the Company without compensation.

In 2011 16 people belonged to the target group of the plan. The earnings criteria of the earning period 2011 were the Etteplan Group's operating profit (EBIT) and revenue. The Company did not dispose company-held shares for the 2011 earnings period to the employees who were part of share-based incentive plan.

Management Remuneration in 2011

Key management of Etteplan Oyj includes the Board of Directors, CEO and Management Group.

Salaries and fees paid EUR 1 000	2011	2010
Members of the Board		
Heikki Hornborg, Chairman of the Board	82	39
Tapani Mönkkönen, Vice-chairman until March 24, 2010	0	20
Tapio Hakakari	44	20
Robert Ingman	42	20
Pertti Nupponen	38	19
Satu Rautavalta March 24, 2010 onwards	40	0
Teuvo Rintamäki March 24, 2010 onwards	40	0
Matti Virtaala until March 24, 2010	0	20
	286 *)	137
CEO and other members of the Management Group		
Matti Hyytiäinen, President and CEO	483	300
Other members of the Management Group	899	892
Salaries and fees total	1 668	1 329

Stock options to the key management

Stock options have not been granted for the Company's management during 2011.

*) The Board remuneration for 2011 and 2010 are not comparable due to a change in payment practice. In 2011 the board remuneration was paid for 20 months (from April 1, 2010 to November 30, 2011) and in 2010 for 12 months (from April 1, 2009 to March 31, 2010).