

Remuneration Statement 2019

A. Decision-Making Procedure Concerning Remuneration

The Annual General Meeting decides annually on the remuneration of the members of the Board of Directors for one term of office at a time. According to the Charter of the Board of Directors, the Board of Directors is in charge of matters relating to remuneration of the management and personnel and nomination of the management as well as makes the related decisions.

The Board's responsibilities include monitoring the effectiveness of the remuneration and incentive schemes to ensure that they promote the achievement of the Company's short term and long-term goals.

The Board of Directors appoints and dismisses the group's CEO and decides on the terms of the CEO's employment. In addition, the Board of Directors appoints the members of the Corporate Leadership Team.

The Board of Directors decides on the salaries, remuneration and short-term incentive schemes, i.e. bonus systems paid to the CEO and the management team.

B. Main Principles of Remuneration

Compensation of the Board of Directors

The members of the Board of Directors are paid a monthly fee. A separate meeting fee is not paid for board and committee meetings. The Annual General Meeting on 25 April 2019 decided on the remuneration of the members of the Board of Directors. The Chairman of the Board of Directors: EUR 3,200 per month, the Deputy Chairman: EUR 2,400 per month, and other Members of the Board: EUR 1,600 per month.

For the work of the Audit Committee, the Chair of the Committee will be paid an annual remuneration of EUR 2,000 and each Member will be paid an annual remuneration of EUR 1,000. Travel expenses will be reimbursed in accordance with the Company's travel policy.

The members of the Board of Directors do not participate in the Company's sharebased incentive schemes and the compensation for the Board is not paid in shares. The total compensation paid to the members of the Board of Directors in 2019 as well as their shareholding in the Company on 31 December 2019 is presented in the note to the consolidated financial statements on the company's website at www.nixu.com/investors and in the Remuneration Report available at www.nixu.com/investors/governance.

Main Principles of Remuneration of the CEO and the Management

The remuneration of the CEO and other members of the management team includes fixed salary, fringe benefits as well as short-term incentive plans and an annual bonus. The objective of the incentive schemes is to motivate the management of the Company to develop the Company and secure the long-term financial performance of the Company. The Company's development phase and business strategy are taken into account in compensation principles. In Finland, part of the annual bonus (25-100 %) is paid to the personnel fund, pursuant to the Act on Personnel Funds, which is owned and governed by the personnel. The CEO and other members of the management participate in share-based compensation schemes.

The Board of Directors evaluates and decides annually the salary, remuneration and other benefits of the CEO and other management team members as well as the compensation principles. The Board of Directors decides annually on reward targets and earning criteria. The amount of bonuses paid to the CEO and other management team members depends on the Group's financial performance and achievement of personal goals.

Remuneration Elements of Nixu's Management Team

Remuneration element	Description
Base salary	Fixed salary including taxable fringe benefits.
Short-term incentives:	
Performance –based incentive plan	<p>Incentive plan performance targets:</p> <ul style="list-style-type: none"> • Financial targets • Strategic individual targets • Threshold, target and maximum performance levels defined <p>Target (maximum) incentive levels as a % of annual base salary: CEO: 24 % (48 %) Other members of the Management Team: 11-25 % (22-50 %) On average the target level was 16 %</p>
Annual bonus	The CEO and the Management Team are included in the market area based annual bonus systems. The bonus is paid half-yearly on a basis of EBITDA in Finland and on a basis of revenue in Sweden. The whole personnel is included in the annual bonus system and the bonus is paid pro rata with the salary.
Personnel fund (Finland)	In Finland, the CEO and the management team are members of the personnel fund, in which part of the annual bonus can be paid, at least 25 %. The proceeds, i.e. fund units, can be withdrawn maximum 15 % once in a year.
Pensions	Statutory pension, defined contribution plan.
All-Employee Matching Share Plan	The CEO and the management team participate in the All-Employee Matching Share Plan.
Key personnel stock option scheme	The CEO and the management team participate in the stock option scheme directed to personnel responsible for the implementation of Nixu's growth strategy.

Financial Benefits Related to the CEO's Employment Relationship

Base Salary

Remuneration of the CEO comprises a fixed salary, benefits and performance-based incentive plans.

The performance-based incentive paid to the CEO is based on the financial targets determined by the Company's Board of Directors. Target period of this short-term incentive scheme is half a year and the award is paid half-yearly. The CEO's performance-based incentive can be maximum 48 per cent of the fixed annual salary. In addition, the CEO is covered by the company's annual bonus.

Pension benefits and terms relating to the termination of service relationship

The CEO is covered by the statutory pension scheme and no additional pension schemes or pension age is agreed.

The notice period for terminating the service contract of the CEO is six months if the company terminates the contract and three months if the CEO terminates the contract. If contract is terminated by the company's fault, the CEO is entitled to an additional severance pay of an amount equaling his or her monthly salary for six months including holiday pay without work obligation.

All-Employee Share Matching Plan 2019–2021

1. The All-Employee Matching Share Plan 2019–2021, is directed to all permanent employees of Nixu Corporation and its subsidiaries. The plan is to create an incentive for the Nixu employees to become shareholders or increase their shareholding in Nixu and thereby continue to strengthen and align the interests of the employees, Nixu and its shareholders. And in addition to share Nixu's success with its employees also through the possible increase in the share price and to drive One Nixu -thinking. The participation is voluntary.
2. Plan period: two years, 2019–2021
3. The employees that participate in the plan have the right of receiving one matching share free of consideration for each full two New Shares subscribed in the Share Issue after a two-year retention period.

Key personnel stock option scheme

1. The goal is to create an incentive for the key personnel committed to implementing Nixu's strategy. A prerequisite (at least for the first series of options) is to participate in the All-employee share matching plan.
2. The total maximum number of Stock Options issued is 345,000. Of the Stock Options, 115,000 are marked with the symbol 2019A, 115,000 with the symbol 2019B and 115,000 with the symbol 2019C.

The share subscription period with the Stock Options shall be:

- for Stock Options 2019A: 1 October 2021 – 31 May 2023
- for Stock Options 2019B: 1 October 2022 – 31 May 2024
- for Stock Options 2019C: 1 October 2023 – 31 May 2025.

3. The Stock Options will be issued gratuitously. The Board of Directors is in connection with the distribution of the Stock Options entitled to set the Stock Option holders' right to keep all or part of the Stock Options until the commencement of the share subscription period conditional on the fulfilment of specific financial or operational performance targets on terms separately determined by the Board of Directors.
4. The share subscription price shall be:

2019A: the trade volume weighted average quotation of the Company's share on NASDAQ Helsinki Ltd during the period of April 1, 2019 – April 30, 2019. The subscription price was set at EUR 12.09 per share.

2019B: the trade volume weighted average quotation of the Company's share on NASDAQ Helsinki Ltd. during the twenty trading days following the publication date of the Company's financial statements release for the year 2019.

2019C: the trade volume weighted average quotation of the Company's share on NASDAQ Helsinki Ltd. during the twenty trading days following the publication date of the Company's financial statements release for the year 2020.

C. Remuneration Report 2019

Board of Directors

The table below describes the annual remuneration paid to the members of the Board of Directors.

Name	Position	Annual remuneration
Kimmo Rasila	Chairman	37,600 €
Marko Kauppi	Deputy Chairman	28,200 €
Kati Hagros	Member	18,800 €
Juhani Kaskeala	Member	19,800 €
Anders Silwer	Member	12,800 €
Tuija Soanjärvi	Member	20,800 €
Teemu Tunkelo	Member	19,800 €

CEO and the Management Team

The table below describes the remuneration paid to the CEO and the Management Team during financial year 2019.

As of 1 January 2019, the Management Team have consisted of, in addition to the CEO, Janne Kärkkäinen, Katja Müller, Valtteri Peltomäki, Jesper Svegby and Kim Westerlund.

	CEO Petri Kairinen	Other management team members in total *
Fixed salary including fringe benefits	182,750 €	617,235 €
Short-term incentives (performance-based incentives based on the performance and results of H2/2018 and H1/2019)	46,631 €	88,431 €
Share-based payment	7,170 €	20,568 €
In total	236,551 €	726,234 €

*Janne Kärkkäinen, Katja Müller, Valtteri Peltomäki, Jesper Svegby and Kim Westerlund

The table below describes the stock options of the CEO and the Management Team:

Name	The number of Stock Options 2019A
Petri Kairinen	9,100
Janne Kärkkäinen	5,000
Katja Müller	5,000
Valtteri Peltomäki	5,000
Jesper Svegby	5,000
Kim Westerlund	5,000