

INCAP CORPORATION'S REMUNERATION STATEMENT 2019

The objective of the remuneration in Incap is to promote the long-term financial success and competitiveness of the company and the favourable development of the shareholder value. Remuneration is based on predetermined and measurable performance and result criteria.

The General Meeting decides on the remuneration payable for the Board as well as on the basis for its determination. The remuneration for Board of Directors can be paid, either fully or in part, in the form of company shares. Remuneration of a non-executive director will be arranged separately from the share-based remuneration scheme applicable to the company's President and CEO, other management team or personnel.

The Board of Directors decides on the remuneration and eventual other compensation of the President and CEO.

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 15 April 2019 decided that the annual fee to be paid for Chairman of the Board is EUR 40,000 and for the Board members EUR 20,000. No fee will be paid for each meeting. Eventual travel expenses are compensated according to the travel policy of the company.

In 2019, the fees paid to the Board members amounted to EUR 73,333 (2018: EUR 54,611). The Board members have no other financial benefits.

<i>Member of the Board</i>	<i>Membership 2019</i>	<i>Remuneration, EUR</i>
<i>Carl-Gustaf von Troil</i>	<i>1 Jan -31 Dec</i>	<i>23,333</i>
<i>Päivi Jokinen</i>	<i>1 Jan -31 Dec</i>	<i>18,333</i>
<i>Ville Vuori</i>	<i>1 Jan - 31 Dec</i>	<i>31,666</i>

Remuneration of the President and CEO and the other members of the Management Team

The Board of Directors decides on the President and CEO's salary and other benefits.

In 2019, as the President and CEO served Otto Pukk.

The period of notice of the President and CEO is six months and the CEO will be paid the salary during the period of notice. The retirement age is determined in accordance with the Employees' Pensions Act.

The President and CEO is entitled to a performance bonus amounting to 30% of his annual fixed salary, with payment criteria being the revenue, net profit, and net working capital/revenue.

The salary paid to the President and CEO amounted to EUR 181,011 in total, including performance bonus EUR 29,811. In 2018, the salary paid to Otto Pukk, then interim CEO and President and CEO as of 25 June 2018, and Vesa Mäkelä, President and CEO until 25 June amounted to EUR 238,927. In addition, Vesa Mäkelä was paid a performance bonus and a contract termination compensation of EUR 51,953 in 2018.

The other Management Team's Members terms of employment and pay are approved by the Board of Directors, which also decides on the Group's performance bonus system. The retirement age of the other Management Team members is determined in accordance with the Employees' Pension Act.

The other Management Team Members are paid a fixed salary, which is determined in the management contracts. In addition to the fixed salary, there may be an annual remuneration, which is paid on the basis of agreed metrics depending on the achievement of related targets.

In 2019, salaries and other employee benefits paid to the President and CEO and other Management Team members amounted to EUR 459,071 (2018: 664,442). Of the salary and remuneration paid to the President and CEO and the Management Team during the financial year 2019, 93% fell for the fixed salary (2018: 98%).

<i>President and CEO and other members of the Management Team</i>	<i>Fixed salary 2019, EUR</i>	<i>Performance bonus based on 2018 performance, EUR</i>
<i>Otto Pukk, President and CEO</i>	<i>181,011</i>	<i>4,566</i>
<i>Other Management Team, in total</i>	<i>278,060</i>	<i>0</i>

The company has no share-based compensation system. At the end of the financial year 2019, the Board Members and their interest parties, the President and CEO and the other Management Team members held a total of 40,604 shares of the company corresponding to 0.93% of total number of shares (2018: 40,604 and 0.93%).

This Remuneration Statement has been prepared in accordance with the Corporate Governance Code 2015. The CG Code 2015 can be viewed in full on the website of the Securities Market Association at www.cgfinland.fi/en.