

REMUNERATION STATEMENT 2018

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 executives 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 17 April 2018 decided that the annual fee to be paid for Chairman of the Board is EUR 30,000 and for the Board members EUR 15,000. No fee will be paid for each meeting. Eventual travel expenses are compensated according to the travel regulations of the company.

In 2018, the fees paid to the Board members amounted to EUR 54,611 (2017: EUR 48,333). The Board members have no other financial benefits.

<i>Member of the Board</i>	<i>Membership 2018</i>	<i>Remuneration, EUR</i>
<i>Carl-Gustaf von Troil</i>	<i>1 Jan -31 Dec</i>	<i>23 333</i>
<i>Per Kristiansson</i>	<i>1 Jan -17 April</i>	<i>3 333</i>
<i>Vesa Mäkelä</i>	<i>1 Jan -17 April</i>	<i>2 944</i>
<i>Johan Ålander</i>	<i>1 Jan -17 April</i>	<i>5 000</i>
<i>Päivi Jokinen</i>	<i>17 April -31 Dec</i>	<i>10 000</i>
<i>Ville Vuori</i>	<i>17 April - 31 Dec</i>	<i>10 000</i>

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.

Until 25 June 2018, the position of the President and CEO was held by Vesa Mäkelä, M.Sc. (Eng.), MBA (b 1964). Otto Pukk (M.Sc. Econ. born 1978) was appointed CEO on September 18, after acting as interim CEO from 25 June 2018.

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. Retirement age is determined in accordance with the Employees' Pensions Act.

The salary paid to the President and CEOs in 2018 amounted to EUR 299,325 (2017: EUR 238,927). Vesa Mäkelä was paid in 2018 a salary of EUR 180,240 and a performance bonus of EUR 6,893 and a contract termination compensation EUR 45,060. Otto Pukk was in 2018 paid a salary of EUR 67,132 for his duty as President and CEO. He was paid no bonus in 2018 of CEO duties.

The President and CEO is entitled to a performance bonus amounting to 30% of his annual salary, with payment criteria being the revenue, net result and cash flow.

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 retirement age of the Management Team members is determined in accordance with the Employees' Pension Act.

The Management Team is paid a fixed salary, which is determined in the management contracts. In 2018, salaries and other employee benefits paid to the President and CEOs and Management Team members amounted to EUR 664,442 (2017: 538,999). Of the salary and remuneration paid to the President and CEOs and the Management Team during the financial year 2018, 98% fell for the fixed salary (2017: 93%).

<i>President and CEO and other members of the Management Team</i>	<i>Remuneration (EUR)</i>
<i>Vesa Mäkelä, President and CEO until 25 June 2018</i>	<i>232 193</i>
<i>Otto Pukk, President and CEO</i>	<i>67 123</i>
<i>Other Management Team, in total</i>	<i>365 116</i>

The company has no share-based compensation system. At the end of the financial year 2018, the Board Members and their interest parties, the President and CEO and the Management Team members held a total of 40,604 shares of the company (2017: 40,604).