

# Remuneration Report 2019

February 12, 2020

**Huhtamaki**

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## Board of Directors

In accordance with the resolution passed by the AGM held on April 25, 2019, as of the AGM 2019 the annual compensation for the Chairman of the Board is EUR 120,000, for the Vice-Chairman EUR 68,000 and for other members EUR 57,000. In addition, the following meeting fees are paid for each meeting attended: EUR 1,500 for all meetings, except EUR 3,000 to the Chairman for the Audit Committee meetings, EUR 1,750 to the Chairman for the Human Resources Committee meetings and EUR 1,750 to the Chairman for the Nomination Committee meetings. Traveling expenses of the Board members are compensated in accordance with the Company policy. In addition, the Chairman of the Board has a mobile phone benefit. The annual remuneration of the Board members has remained unchanged from 2016. The meeting fees were increased in 2019.

In 2019, the Board members were not eligible for remuneration or other benefits not related to the Board work. Board members did not receive Company shares as remuneration and they were not participants in Company's share-based incentive plans.

The following remuneration was paid to the members of the Board for the financial years 2019 and 2018.

	2019			2018		
	Annual compensation	Meeting fees <sup>7</sup>	Total	Annual compensation	Meeting fees <sup>7</sup>	Total
Pekka Ala-Pietilä <sup>1</sup>	120,240	26,800	147,040	120,240	23,600	143,840
Kerttu Tuomas	65,250	27,500	92,750	57,000	21,000	78,000
Doug Baillie	57,000	24,500	81,500	57,000	21,000	78,000
William R. Barker	57,000	22,500	79,500	57,000	20,000	77,000
Anja Korhonen <sup>2</sup>	57,000	28,500	85,500	42,750	11,000	53,750
Sandra Turner	57,000	23,000	80,000	57,000	20,000	77,000
Ralf K. Wunderlich <sup>3</sup>	57,000	24,500	81,500	28,500	4,000	32,500
Jukka Suominen <sup>4</sup>	17,000	15,000	32,000	68,000	30,000	98,000
Eija Atlasmaa <sup>5</sup>	-	-	-	14,250	9,000	23,250
Rolf Börjesson <sup>6</sup>	-	-	-	14,250	12,000	26,250
<b>Board total</b>	<b>487,490</b>	<b>192,300</b>	<b>679,790</b>	<b>515,990</b>	<b>171,600</b>	<b>687,590</b>

<sup>1</sup> Annual compensation for Pekka Ala-Pietilä includes a mobile phone benefit.

<sup>2</sup> Board member since April 25, 2018.

<sup>3</sup> Board member since July 1, 2018.

<sup>4</sup> Board member until April 25, 2019.

<sup>5</sup> Board member until April 25, 2018.

<sup>6</sup> Board member until April 25, 2018.

<sup>7</sup> The meeting fees have been entered in the table on the year when they have been paid.

## President & Chief Executive Officer and Global Executive Team

The following remuneration was paid to the President and CEO and the other GET members for the financial years 2019 and 2018.

	President and CEO Charles Héaulmé <sup>5</sup>		CEO Jukka Moisio <sup>6</sup>		Other Global Executive Team members <sup>7</sup>	
	2019	2018	2019	2018	2019	2018
Non-variable annual base salary and benefits <sup>1</sup>	568,643	-	243,143	733,686	2,696,259	2,505,732
Signing bonus <sup>2</sup>						
Number of shares received as signing bonus	15,000 shares					
Value of the shares at the time of transfer	525,344					
Amount of income taxes and tax-like charges arising based on the shares received	274,679					
Total value of the signing bonus	800,023					
Short-term incentives <sup>3</sup>						
Remuneration based on the performance in the year preceding the payment year	-	-	-	370,630	259,442	746,547
Long-term incentives <sup>4</sup>						
Number of shares received as a reward	-	-	-	19,200 shares	-	56,832 shares
Value of the shares at the time of the transfer	-	-	-	691,695	-	2,049,628
Amount of income taxes and tax-like charges arising based on the shares received	-	-	-	742,514	-	2,141,929
Total value of the reward	-	-	-	1,434,209	-	4,191,557
<b>Total remuneration</b>	<b>1,368,666</b>	<b>-</b>	<b>243,143</b>	<b>2,538,525</b>	<b>2,955,701</b>	<b>7,443,836</b>

<sup>1</sup>Non-variable annual base salary and benefits include compensation relating to the commencement and termination of employment as well as cash payments for pension.

<sup>2</sup>Signing bonus paid for President and CEO Charles Héaulmé upon joining in April 2019.

<sup>3</sup>Paid short-term incentives have been entered in the table on the year when they have been paid.

<sup>4</sup>Share-based incentives include the monetary value of the payments based on the performance share plans at the time of granting the shares and including the value of taxes and tax-like charges arising based on the received shares. The share-based incentives are based on the performance in the year preceding the payment year and they have been entered in the table on the year when they have been paid. No reward based on the performance in 2018 under the Performance Share Plan 2016–2018 was paid in 2019 as the set target was not reached. The reward based on the performance in 2017 under the Performance Share Plan 2015–2017 was paid in April 2018.

<sup>5</sup>President and CEO since April 26, 2019.

<sup>6</sup>CEO until April 25, 2019.

<sup>7</sup>Remuneration paid to other GET members is reported for the period that the person has been a member of the GET.

In 2019, expenses for the Company for the CEO Jukka Moisio's statutory pension were EUR 22,058 (2018: EUR 183,869) and for the supplementary pension arrangement EUR 47,260 (2018: EUR 150,000).

In 2019, the Company paid a total of EUR 16,835 (2018: EUR 18,560) to pension arrangements of the other GET members, excluding the CEO.