

Remuneration report 2020

Introduction

Gasgrid Finland Oy's remuneration policy seeks to promote the company's business strategy, long-term financial success and value generation for the state as owner and society at large. Gasgrid Finland's remuneration policy is based on the decisions-in-principle taken by the Council of State concerning Finland's current state ownership policy. In addition, Gasgrid Finland complies with the remuneration recommendations in the latest revision of the Corporate Governance Code published by the Securities Market Association, and Gasgrid Finland prepares an annual remuneration report in line with the recommendations. The principles of reasonableness and fairness govern the entire remuneration policy.

Gasgrid Finland's Annual General Meeting decides on the remuneration and other financial benefits paid to the members of the Board of Directors every year. Gasgrid Finland's Board of Directors decides on the remuneration and other financial benefits paid to the company's CEO and Management Team, as well as the foundations of the performance-related incentive scheme. Decisions are taken within the framework of the remuneration policy presented at the Annual General Meeting.

The remuneration scheme for Gasgrid Finland Oy's management team consists of a fixed monthly salary, fringe benefits, and a short-term bonus determined on the basis of the impact of the employee's work on the company's earnings. Gasgrid Finland Oy's short-term variable bonus scheme covers every member of personnel, the Management Team and the CEO. The members of the Management Team are not covered by the long-term performance-related incentive scheme, and they are not entitled to supplementary pension benefits. The company does not have any share-based incentive schemes; bonuses are paid in cash.

2020 was the company's first year of operation, so it is not possible to present comparable data on remuneration trends as required by the Securities Market Association's recommendations.

Remuneration of the Board of Directors

Remuneration of the Board of Directors in 2020	EUR
Chairman of the Board	2,000 per month 600 per meeting
Members of the Board of Directors	1,000 per month 600 per meeting

In 2020, the Board of Directors consisted of the chair and four members who were paid emoluments as follows.

Remuneration paid to members of the Board of Directors in 2020	EUR
Kai-Petteri Purhonen, chair of the Board of Directors since 1 January 2020	30,000
Päivi Nerg, member of the Board of Directors since 1 January 2020	18,000
Asta Sihvonen-Punkka, member of the Board of Directors since 1 January 2020	18,000
Jero Ahola, member of the Board of Directors since 18 September 2020	4,200
Saija Kivinen, member of the Board of Directors since 18 September 2020	4,200
Total	74,400

Remuneration for the CEO

The following table shows the elements of the CEO's remuneration, as well as the salaries, bonuses and other financial benefits paid in 2020.

Remuneration element 2020	Description	EUR
Fixed	Fixed annual salary, including fringe benefits	239,540
Variable target-related bonus	Short-term incentive scheme, paid	-
Total remuneration		239,540

The total remuneration paid to the CEO in 2020 consisted of the fixed annual salary. In addition, the CEO earned a target-related bonus worth EUR 50,231 for achieving business targets in 2020. The bonus will be paid in 2021.

The CEO's employment relationship can be terminated with two months' notice. If the company terminates the employment relationship, the CEO will receive severance pay worth four months' salary in addition to the salary earned during the notice period. The CEO's retirement age is the statutory age for receiving an old-age pension.