



Salary and remuneration report 2017



At VTT, rewarding is a key management tool deployed in support of the organisation’s strategy and the achievement of its goals. The key elements of salaries and rewards are an incentivising and fair basic salary, a reward system that supports the implementation of the strategy, and a wide range of employee benefits.

The monetary remuneration methods employed in 2017 included the basic salary, recognition rewards and employee benefits. Other reward types included excellent training and development opportunities, flexible work and working hour arrangements, and an inspiring work environment that supports occupational well-being.

The VTT Board approves the reward principles and budget on an annual basis.

Benefits, remunerations and rewarding

In addition to the President & CEO, the VTT Leadership Team includes seven members and a personnel representative.

The President & CEO or other managers do not have any out-of-the-ordinary (a telephone benefit) benefits or option rights. In accordance with the policy of the state owner, VTT has a supplementary pension system in place for compensating for the pension reduction caused by the corporatisation, as personnel were moved from under the State Pension Act to the Employees Pensions Act. Members of the Leadership Team are not covered by this system, however.

In 2017, the monthly salary of President & CEO Antti Vasara was EUR 18,500. His total salary includes the monthly salary and all fringe benefits (telephone benefit). Thus, the monetary salary equals the monthly salary minus the fringe benefits enjoyed by the President & CEO at the time. A holiday bonus is paid in addition to the monthly salary. The retirement age of the President & CEO is 65, and there are no pension arrange-

ments in excess of the statutory level in place for him. The President & CEO has a three-month period of notice in case of resignation. In the event of dismissal by the company, the period of notice is six months.

The employment contract of the President & CEO does not include any special severance pay clauses.

The salaries and rewarding of the President & CEO and Leadership Team are decided by the Board. The table below presents the salaries and other remunerations paid to the Group Leadership Team, President & CEO included, in 2017, along with other rewards for 2017 paid in 2018. The total salary includes fringe benefits and holiday bonuses.

| | Total salary | Rewards | Total |
|------------------------------|------------------|---------------|------------------|
| President & CEO | 235,306 | 16,650 | 251,956 |
| Rest of the Leadership Team* | 985,362 | 22,560 | 1,007,922 |
| Total | 1,220,668 | 39,210 | 1,259,878 |

The total salary includes fringe benefits and holiday bonuses.

*Several changes were made to the Leadership Team in 2017. The calculations include the salaries of the persons for the duration of their membership in the Leadership Team.

Attendance fees of Board members in 2017

| | Monthly reward | Monthly reward, total | Attendance fee | Attendance fee, total | Total attendance fee of the Remuneration and Audit Committee | Total |
|---------------------|-------------------|-----------------------------|-------------------|--------------------------|---|----------------|
| Cantell Aaro, pj. | 1,500 | 18,000 | 500 | 5,000 | 500 | 23,500 |
| Hietanen Matti | 850 | 10,200 | 500 | 5,500 | 3,000 | 18,700 |
| Knuutila Kari-Hannu | 700 | 8,400 | 500 | 5,000 | 2,500 | 15,900 |
| Leiviskä Harri | 850 | 10,200 | 500 | 5,500 | 2,500 | 18,200 |
| Lundström Petra | 700 | 8,400 | 500 | 5,500 | 500 | 14,400 |
| Pauli Anneli | 700 | 2,800 | 500 | 1,500 | | 4,300 |
| Pehu-Lehtonen Kaija | 700 | 8,200 | 500 | 5,500 | 2,500 | 16,200 |
| Pulkkinen Tuija | 700 | 5,600 | 500 | 3,000 | | 8,600 |
| Total | | 71,800 | | 36,500 | 11,500 | 119,800 |

Anneli Pauli, Board member until 04/2017, and Tuija Pulkkinen from 05/2017.