

Dovre Group Plc

**CORPORATE GOVERNANCE  
STATEMENT 2015**

**CORPORATE DOCUMENTS**

## CORPORATE GOVERNANCE STATEMENT 2015

### Corporate Documents

Date: 17 February 2016

Approved by: Board of Directors of Dovre Group Plc

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# 1 INTRODUCTION

This Corporate Governance Statement has been composed in accordance with the reporting requirements of the Finnish Corporate Governance Code issued by the Finnish Securities Market Association, and Chapter 7, Section 7 of the Finnish Securities Markets Act. The Finnish Corporate Governance Code can be found on the Association's website, [www.cgfinland.fi](http://www.cgfinland.fi). This Corporate Governance Statement is issued separately from the report by the company's Board of Directors. The Statement has been reviewed by Dovre Group Plc's Board of Directors.

# 2 GENERAL PRINCIPLES

Dovre Group's parent company, Dovre Group Plc, is a public limited company registered in Finland and domiciled in Helsinki, Finland. In its decision-making and governance, Dovre Group complies with all applicable legislation, the company's Articles of Association, and the Finnish Corporate Governance Code issued by the Finnish Securities Market Association. In addition, the company complies with the rules and regulations of Nasdaq Helsinki Ltd and the standards, regulations, and guidelines of the Finnish Financial Supervisory Authority. Dovre Group's subsidiaries comply with local legislation.

Up-to-date information about the company's corporate governance is available on the company's website, [www.dovregroup.com/investors/corporate-governance.html](http://www.dovregroup.com/investors/corporate-governance.html).

## 2.1 DOVRE GROUP'S GOVERNING BODIES

The General Meeting of Shareholders, the Board of Directors, and the CEO are responsible for the Group's management. Their tasks and responsibilities are determined in accordance with the Finnish Limited Liability Companies Act. The CEO, assisted by the Group Executive Team, is responsible for the Group's operational management.

### **General Meeting of Shareholders**

Dovre Group's supreme decision-making body is the General Meeting of Shareholders. The Annual General Meeting of Shareholders is organized once a year on a date set by the Board of Directors and is held within six (6) months of the end of the financial period. The Board of Directors may convene one or more Extraordinary General Meetings during the financial year if necessary. In accordance with the Articles of Association, the General Meeting is to be held in Espoo, Helsinki, or Vantaa. Notice of

the Annual General Meeting and a proposal for the agenda are released as a stock exchange bulletins and published on the company's website.

The Annual General Meeting decides on the following issues:

- Adoption of the income statement and balance sheet
- Use of the profit or loss shown on the balance sheet
- Discharging from liability the members of the Board and the CEO
- Number of Board members and their election
- Election of the Auditor
- Remuneration of the Board and compensation of the Auditor
- Other issues as outlined in the notice of the meeting

### **Board of Directors**

Dovre Group's Board of Directors is responsible for the administration and the proper organization of the company's operations. The Board supervises the company's operations and management, and decides on significant matters concerning the company's strategy, organization, financing, and investments. The duties and responsibilities of the Board are determined in accordance with the company's Articles of Association and the Finnish Limited Liability Companies Act. The Board has not established an audit committee; the duties of the audit committee are discharged by the Board in its entirety. The Board prepares an annual charter that specifies the Board's meeting procedures and duties. In accordance with the Board charter, the duties of the Board include following:

- Assuming responsibility for tasks specified as obligatory for the Board of Directors by the Finnish Limited Liability Companies Act, the company's Articles of Association, or elsewhere
- Approving the Group's strategy and long-term financial targets
- Approving the Group's Code of Conduct
- Approving the Group's management system and organizational structure
- Approving annual business plans and changes to them, if any
- Approving internal control and risk management policies and monitor them
- Approving the Group's financial reports, including the company's half-yearly report, annual financial statements, report by the Board of Directors, and Q1 and Q3 trading statements
- Assuming responsibility for communications related to the Group's financial objectives
- Approving the Group's financial policy
- Assuming responsibility for the development of the Group's market value and specifying dividend policy
- Approving business acquisitions and divestments and significant individual investments and contingent liabilities
- Approving the Group's incentive system and policy

- Appointing and dismissing the Group's top management (CEO and members of the Group Executive Team) and deciding on their terms of employment and remuneration
- Appointing a deputy to the CEO
- Overseeing the succession planning of the CEO
- Deciding on the establishment of new legal entities
- Assuming responsibility for the development of the Group's corporate governance
- Approving the agenda for Board meetings
- Reviewing the operations of the Board annually
- Reviewing the CEO's performance and giving feedback

In accordance with the Articles of Association, the Board has a minimum of three (3) and a maximum of eight (8) members. The Board members are elected by the Annual General Meeting for one term of office at a time. The term of office of a member of the Board begins at the end of the General Meeting that elected the member and expires at the end of the first Annual General Meeting following the election. The company's Articles of Association do not specify an upper age limit for, or the maximum number of terms of office, of a Board member, and place no other restrictions on the authority of the General Meeting to elect members to the Board. The Board selects a Chairman and a Vice Chairman from among its members, and the Board is deemed to have a quorum present when more than half of its members are present.

In addition to matters requiring Board decision, the Board, in its meetings, is provided with up-to-date information on the Group's operations, financial situation, and risks.

The Board convenes normally once a month according to an preagreed schedule, and may hold additional meetings, if necessary. Minutes are kept for all meetings.

### **Chief Executive Officer (CEO)**

The Board of Directors appoints the CEO. The CEO is responsible for the day-to-day management of the Group's business operations and governance in accordance with the Articles of Association, the Finnish Limited Liability Companies Act, and the instructions issued by the Board. The CEO is assisted by the Group Executive Team.

### **Group Executive Team**

The Group Executive Team is appointed by the Board of Directors. The Group Executive Team assists the CEO in the operative management of the Group, prepares items for the Board and the CEO, and plans and monitors the operations of the Group's business units. The Group Executive Team convenes at least once a month. The CEO acts as the Chairman of the Group Executive Team.

## 2.2 INTERNAL AUDIT

The Group's internal audit assesses and ensures the sufficiency and effectiveness of the Group's internal control. It also assesses the efficiency of the Group's various business processes, the sufficiency of the Group's risk management procedures, and compliance with internal guidelines. The Board of Directors is responsible for internal audit. The Group's internal audit is coordinated by the Group's CFO.

## 2.3 EXTERNAL AUDIT

According to the Articles of Association, Dovre Group shall have a minimum of one (1) and a maximum of two (2) auditors certified by the Finnish Central Chamber of Commerce (Authorized Public Accountants). Should the General Meeting appoint only one principal auditor and should this auditor not be an audit corporation, or should the General Meeting deem it otherwise necessary, the General Meeting may choose to appoint a minimum of one (1) and a maximum of two (2) deputy auditors. The term of the auditors expires at the end of the first Annual General Meeting following their selection. The Board's proposal for the auditor is disclosed in the notice of the General Meeting.

The primary purpose of an audit is to verify that the financial statements give accurate and adequate information concerning the Group's result and financial position for the financial period. In addition, the auditors shall report to the Board of Directors on the ongoing auditing of administration and operations.

## 2.4 INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS PERTAINING TO FINANCIAL REPORTING

The purpose of the Group's internal control is to support the implementation of the Group's strategy and to ensure that the Group complies with all relevant rules and regulations. The Group's internal control framework is based on the Dovre Group Authorization Matrix, which specifies the authority and the responsibilities of the Group's management. The Authorization Matrix is approved by the Board of Directors, which also acts as the highest supervisory body of the Group's internal control. The implementation of internal control measures is supervised primarily by the CEO and CFO, who report to the Board.

The ultimate responsibility for accounting and financial administration lies with Dovre Group's Board of Directors. The Board is responsible for internal control, and the CEO is responsible for the day-to-day organization and monitoring of the control system. The steering and monitoring of business operations is based on the reporting and business planning system that covers the entire Group. The CEO and CFO report monthly to the

Board and the Group Executive Team on the Group's financial situation and development.

The purpose of financial reporting is to ensure that all assets and liabilities in the financial statements belong to the company; that all rights and liabilities of the company are presented in the financial statements; that items in the financial statements have been classified, disclosed, and described correctly; that assets, liabilities, income, and expenditure are entered in the financial statements at the correct amounts; that all transactions during the reporting period are included in the accounts; that transactions entered in the accounts are factual transactions; and that assets have been secured.

## 2.5 RISK MANAGEMENT AND RISK ASSESSMENT

The Group's risk management is guided by legal requirements, business requirements set by shareholders of the company, and the expectations of customers, personnel, and other important stakeholders. The goal of risk management is to acknowledge and identify systematically and comprehensibly any risks relating to the company's operations and to make sure that all such risks are appropriately accounted for when making business decisions.

The Group's risk management procedures support the achievement of the Group's strategic goals and seeks to ensure the continuity of the Group's business operations. The Group takes risks that are a natural part of its strategy and objectives. The Group is not ready to take risks that might endanger the continuity of its operations or be uncontrollable or that may significantly harm the Group's operations.

In accordance with the Group's risk management procedures, the Board of Directors receives an annual report of the most significant risks facing the Group. The Board analyses the risks from the point of view of shareholder value.

The company's risk management process includes an annual identification and analysis of risks pertaining to financial reporting. In addition, the company seeks to analyze and report all new risks immediately as soon as they have been identified. Taking into account the extent of the Group's business operations, the most significant risks pertaining to the reliability of financial reporting relate to revenue recognition, impairment testing (including goodwill), and tax reporting.

## 2.6 CONTROL FUNCTIONS

The correctness and reliability of financial reporting are ensured through compliance with Group policies and guidelines. Control functions that ensure the correctness of financial reporting include controls related to accounting transactions, to the selection



of and compliance with the Group's accounting principles, to information systems, and to fraud or malpractice.

Revenue recognition is supervised by the Group's CFO and is based on the required sale and delivery documents.

The Group's bad debt provision is reviewed monthly. Any eventual bad debt provisions are based on the aging of trade receivables per sales company.

The Group's goodwill is tested for impairment at the end of each financial year on the balance sheet date. Key variables used in the calculations are net sales growth and the estimated change of profit margin. In addition, indications of impairment are monitored regularly. If indications of impairment are detected, a separate testing is performed. In calculating the company-specific deferred tax assets, the effective tax rate of each country is applied. Deferred tax assets have not been recognized for the Group's losses as it has been estimated that a future use of the losses is not probable in near future.

The performance of business operations and the attainment of annual goals is assessed monthly in Group Executive Team and Board meetings. Monthly management and Board reporting includes both the actual and the estimated results compared to the budget and the actual results of previous periods. Financial reports generated for the management are used for monitoring certain key indicators associated with the development of sales, profitability, and trade receivables on a monthly basis.

In accordance with its strategy, Dovre Group may complement its organic growth with acquisitions. In making acquisitions, the Group follows due diligence and utilizes its internal competence together with external advisors in the planning phase (e.g. due diligence), takeover phase, and when integrating acquired functions into the Group's operations.

## 2.7 INTERNAL COMMUNICATION AND SHARING OF INFORMATION

The purpose of management reporting is to produce up-to-date, relevant information for decision-making. The CFO provides the Group's business units with monthly reporting guidelines and is in charge of any special reporting instructions related to budgeting and forecasting. The Group's financial administration distributes, on a regular basis, internal information on processes and procedures pertaining to financial reporting. Internal control tasks are carried out in accordance with this information. Financial administration also arranges targeted training for the organization's personnel on the procedures associated with financial reporting and changes in them, if necessary. The Group's investor relations maintains, in cooperation with the Group's

financial administration, the guidelines on the disclosure of financial information, including, for example, the disclosure obligations of a publicly listed company.

## 2.8 MONITORING

Monitoring refers to the process of assessing Dovre Group's internal control system and its performance in the long term. The Group continuously monitors its operations also through various separate assessments, such as internal and external audits, and supplier audits carried out by clients. The Group's management monitors internal control as part of its day-to-day work. The Group Executive Team is responsible for ensuring that all operations comply with applicable laws and regulations. The Group's financial administration monitors compliance with the financial reporting processes. The financial administration also monitors the correctness of external and internal financial reporting. The Board of Directors assesses and ensures the appropriateness and effectiveness of the Group's internal control and risk management.

The Group's internal control is also assessed by the Group's external auditor. The auditor verifies the correctness of external annual financial reporting. The most significant observations and recommendations of the audit are reported to the Board of Directors.

## 2.9 INSIDER ADMINISTRATION

Dovre Group's insider guidelines comply with Nasdaq Helsinki Ltd's Guidelines for Insiders effective as of July 1, 2013. The insider guidelines forbid insiders, including persons under their guardianship and companies where they exercise control, to trade in any company securities during the period from the closing date of the accounting period to the date of publication of the company's half-yearly report, annual financial statements, or Q1 and Q3 trading statements. The minimum period concerned (so-called "closed window") is always four (4) weeks prior to the date of publication of the release in question.

In accordance with applicable legislation, the Group's public insider register includes members of the Board of Directors, the CEO, members of the Group Executive Team, the secretary of the Board of Directors (if separately appointed), and the Group's principal auditor. In addition, the Group maintains a company-specific insider register, which includes those employees who regularly receive insider information through their work. Persons, who are involved in acquisitions or other projects that may have an effect on the valuation of the Group's shares, are considered project-specific insiders and are subject to a temporary trading suspension.

The Board of Directors is responsible for the guidance and supervision of insider issues and also establishes project-specific insider registers, if necessary. The CFO is responsible for the company's permanent insider register. The insider register of Dovre Group Plc is maintained by Euroclear Finland Ltd. Up-to-date shareholdings of the company's insiders can be seen in Euroclear Finland's customer service point in Helsinki, Finland (Urho Kekkosen katu 5 C). The company also maintains a list of public insiders on its website. The information on public insider on the company's website is updated weekly.

## 2.10 REMUNERATION

The Annual General Meeting decides on the remuneration of the Board of Directors. The Board decides on the terms and conditions of the employment of the CEO, specified in writing. The remuneration principles of the key management are set by the Board. The Board annually approves the Group's short-term and long-term incentive schemes.

The Board decides on the CEO's and the Group Executive Team's remuneration. The remuneration of the management of the Group's business areas is based on the so-called one-over-one principle whereby the remuneration decision must be approved by the supervisor of the employee's direct supervisor.

# 3 CORPORATE GOVERNANCE IN 2015

## **Annual General Meeting**

Dovre Group's Annual General Meeting was held in Helsinki on March 25, 2015.

## **Board of Directors**

The Annual General Meeting elected four (4) members to the Board of Directors. The Chairman of the Board was Rainer Häggblom and the Vice Chairman Tero Viherto. The other members were Ilari Koskelo and Arja Koski. All members of the Board were independent of the company and significant shareholders. Until the Annual General Meeting held on March 25, 2015, the Board of Directors consisted of Rainer Häggblom (Chairman), Tero Viherto (Vice Chairman), Ilari Koskelo, and Arja Koski.

In 2015, the Board convened 15 times, with an attendance rate of 98 per cent. The Group's CFO Heidi Karlsson acted as the Secretary of the Board of Directors.

Board member attendance at meetings:

Häggblom Rainer	14/15
Koskelo Ilari	15/15
Koski Arja	15/15

According to the register maintained by Euroclear Finland Ltd, members of the Board held, either in person and/or through a company or a family member, a total of 5,060,758 shares in Dovre Group Plc, representing 5.1 per cent of the company's shares and votes. Of this, Rainer Häggblom held a total of 55,279, Tero Viherto 428,449, Ilari Koskelo 4,542,285, and Arja Koski 34,745 shares in Dovre Group Plc.

**CEO**

Patrick von Essen has served as the Group's CEO as of April 1, 2014.

Based on the information obtained from Euroclear Finland Ltd, on December 31, 2015, Patrick von Essen held a total of 675,000 options and a total 130,000 shares in Dovre Group Plc.

**Group Executive Team**

At the end of 2015, the members of the Group Executive Team were Patrick von Essen (CEO), Heidi Karlsson (CFO), Stein Berntsen (President, business area Consulting), Arve Jensen (President, business area Norway), Ole Olsen (President, business area Asia Pacific), and Frank Ween (President, business area Americas & EMEA). Olsen and Ween were appointed to the Group Executive Team on May 28, 2015. As a result of the Group's merger with NPC, completed on May 28, 2015, and through their respective controlled companies, Olsen and Ween are also the Group's largest individual shareholders.

Based on the information obtained from Euroclear Finland Ltd, on December 31, 2015, members of the Group Executive Team held, either in person and/or through a company, a total 36,663,018 shares in Dovre Group Plc and a total of 1,345,000 stock options. Each stock options entitles the owner to subscribe to one share in Dovre Group Plc. The above information does not include the shares and options held by the company's CEO Patrick von Essen.

Shareholdings and options of Dovre Group Plc's public insiders on December 31, 2015:

<b>Name</b>	<b>Shares</b>	<b>Options</b>
Berntsen Stein (Member of the Group Executive Team)	0	200,000
Häggblom Rainer (Chairman of the Board)	55,279	0
Jensen Arve (Member of the Group Executive Team)	80,000	545,000
Järventausta Mikko (Principal auditor)	0	0
Karlsson Heidi (Member of the Group Executive Team)	130,000	450,000
Koskelo Ilari (Board member)	4,542,285	0
Koski Arja (Board member)	34,745	0

Olsen Ole (Member of the Group Executive Team)	18,226,509	50,000
Viherto Tero (Board member)	438,449	0
von Essen Patrick (CEO)	130,000	675,000
Ween Frank (Member of the Group Executive Team)	18,226,509	100,000

Information includes also ownership through controlled companies and the ownership of family members and/or under-aged children living in the same household with public insiders.

### External audit

In 2015, the Group's auditor was Ernst & Young Ltd., Authorized Public Accountants, with Mikko Järventausta, A.P.A. as the principal auditor.

### Board members December 31, 2015

**Rainer Häggblom**, Chairman of the Board  
 M. Sc. (For.), M. Sc. (Econ. and Business Admin.)  
 Member of the Board since March 14, 2013  
 Board professional and investor  
 b. 1956, Finnish citizen

#### Key employment

Jaakko Pöyry Consulting Ltd: Managing Director 1995-2008

#### Key positions of trust

Chairman of the Board: The Forest Company Ltd., Häggblom & Partners Ltd Oy  
 Member of the Board: Empower Oy, United Bankers Oyj

### **Tero Viherto**, Vice Chairman

M. Sc. (Eng.)  
 Member of the Board since March 27, 2014  
 Investor  
 b. 1960, Finnish citizen

#### Key employment

E. Öhman J:or Rahastoyhtiö Ltd: Managing Director 2008-2011  
 Evli Pankki Plc: Director (Financial Management) 2001-2004; Sales Manager 1999-2001  
 Fleming Asset Management (Luxembourg): Sales Manager 1994-1999

#### Key positions of trust

Chairman of the Board: Schengen Advisors Ltd, Schengen Investment Ltd

**Ilari Koskelo**

M.Sc., MBA, B. Sc.

Member of the Board since February 28, 2008

Navdata Ltd, Managing Director

b. 1959, Finnish citizen

Key employment

Navdata Ltd: Managing Director and founder

Soil Scout Ltd: Founder

Javad Positioning Systems Inc. and Global Satellite Solutions Inc.: Founder

Geo/Hydro Inc.: Project Manager

Key positions of trust

Chairman of the Board: Navdata Ltd

Member of the Board: Soil Scout Ltd, SaraRasa Bioindo Pte. Ltd.

**Arja Koski**

M. Sc. (Org. Chem.), eMBA

Member of the Board since March 27, 2014

Talent Vectia Ltd, Managing Consultant

b. 1968, Finnish citizen

Key employment

Fortum Power and Heat Ltd: Vice President, Renewables, Power division / Head of Wind and Wave Asset Development 2007-2011

Fortum Corporation: Vice President, Corporate EHS unit 2000-2007

**Group Executive Team on December 31, 2015**

**Patrick von Essen**

CEO since April 2014

M. Sc. (Eng.)

b. 1963, Finnish citizen

Key employment

Fiskars Corporation: Vice President, Real Estate 2012-2014

Neste Jacobs Oy: Vice President, Oil & Gas 2011-2012

Pöyry Oyj: President, Renewable energy 2009-2011; President, Pulp & Paper 2007-2008; President, North America 2005-2006; Business development manager (Pöyry Forest Industry Oy) 1999-2005

ABB Service Oy: Global Manager, Pulp & Paper Industry Maintenance 1998-1999

Pöyry Sweden AB: Business Development Manager 1997-1998

Key positions of trust

Member of the Board: Inha Works (Buster Boats), Ferraria Oy, Etteplan Oyj

**Heidi Karlsson**

CFO

Member of the Group Executive Team since June 2010 (excluding September 2013-  
June 2014)

M. Sc. (Econ.)

b. 1967, Finnish citizen

Key employment

Nokia Siemens Networks: Head of Management Reporting and Project Manager 2009-  
2010; Region Controller (Latin America) 2007-2009

Nokia Networks: Managerial finance positions in Germany, Switzerland, China,  
Finland, and Brazil 1993-2006

**Stein Berntsen**

President, business area Consulting

Member of the Group Executive Team since July 2014

M. Sc. (Econ. and BA)

b. 1965, Norwegian citizen

Key employment

Dovre Group AS: Managing Director/Managing Partner, Dovre Consulting Norway  
2011-2014; EVP, Management Consulting 2008-2011

Dovre International AS: Vice President, Project Management 2006-2008; Vice  
President, Project Consulting 2002-2008; Manager Project Analysis 2000-2002; Project  
Control Manager (at Statoil) 1999-2000; Senior Consultant (at Statoil) 1997-1999

Philips Petroleum AS: Department Manager, Risk Management 1995-1997; Senior  
Cost Estimator 1993-1995; Cost and Contracts Engineer 1991-1993; Cost Estimator  
1989-1991

**Arve Jensen**

President, business area Norway

Member of the Group Executive Team since October 2009

M. Sc. (Mech.)

b. 1959, Norwegian citizen

Key employment

Dovre Group AS: EVP Norway 2009-2012; Managing Director (Dovre International AS)  
2001-2008; Regional Director 1995-2001; Consultant 1997-1999

ABB Global Engineering AS: Senior Project Engineer 1990-1993

**Ole Olsen**

President, business area Asia Pacific  
Member of the Group Executive Team since May 2015  
B. Sc. (Mech.), Diploma in Economics and Management, MBA  
b. 1962, Norwegian citizen

**Key employment**

NPC Group AS: CEO 2013-2015; Regional Director Asia Pacific 2010-2015; Head of Business Development 2010-2013; Project Mechanical Engineer / Client Rep. seconded to Marathon Petroleum Company 2008-2009; Project Mechanical Engineer / Client Rep. seconded to ConocoPhillips Norway 2003-2007; Lead Mechanical Engineer seconded to Fabricom 2002-2003; Lead Mechanical Engineer seconded to Aibel 2000-2002  
Aker Solutions AS: Lead Mechanical Engineer 1990-1996 and 1999-2000  
Brown & Root Energy Services / Halliburton: Lead Mechanical Engineer / Discipline Lead / Engineering Manager 1996-1999

**Frank Ween**

President, business area Americas & EMEA  
Member of the Group Executive Team since May 2015  
B. Sc. (Eng.)  
b. 1971, Norwegian citizen

**Key employment**

Norwegian Petroleum Consultants AS: CEO 2010-2011 and 2012-2015; Lead Automation Engineer seconded to BP 2011-2012  
Engineering Partners AS: Executive Chairman 2005-2010; Company Rep. Projects & Part of VOS Team Valhalla, seconded to BP 2005-2008; Technical Lead SAS seconded to Mollier 2004-2005; Lead SAS Engineer seconded to Aker Offshore Partners 2002-2004  
ABB Offshore Systems AS: Senior Instrument Engineer 2000-2002  
Kværner ASA: Kværner Oil & Gas, Lead Field Engineer EIT, Package Engineer, Senior Instrument Engineer 1998-2000; Kværner Installasjon, Lead EIT Operator (Foreman), Electrician 1991-1997

## 4 REMUNERATION IN 2015

**Board of Directors**

The General Meeting decides on the remuneration of the Board of Directors. The proposal for the remuneration of the Board of Directors presented to the General Meeting is based on the shareholders' proposal delivered to the company. In 2015, the proposal for the remuneration of the Board of Directors came from shareholders, who represented over 25 per cent of all shares and votes in the company.



The Annual General Meeting held on March 25, 2015, decided that the Chairman of the Board be paid EUR 35,000, Vice Chairman EUR 25,000, and each other member of the Board EUR 22,000 for the term which will last to the next Annual General Meeting. Actual travelling expenses are compensated as incurred. Of the annual remuneration, 40 per cent of the total gross compensation will be used to purchase Dovre Group Plc's shares in public trading through Nasdaq Helsinki Ltd.

Remuneration of the members of the Board of Directors in 2015:

<b>Member</b>	<b>Annual remuneration, EUR</b>	<b>No. of shares purchased (40% of annual remuneration)</b>
Hägglom Rainer (Chairman)	35,000	28,226
Koskelo Ilari	22,000	17,741
Koski Arja	22,000	17,741
Viherto Tero (Vice Chairman)	25,000	20,162
<b>Total</b>	<b>104,000</b>	<b>83,870</b>

### CEO

The Board of Directors decides on the remuneration of the CEO. The terms and conditions of employment of the CEO are approved by the Board and specified in writing.

Based on the terms and conditions of employment of the CEO, Patrick von Essen's compensation consists of an annual salary of EUR 215,040 (including holiday pay, and car and phone benefits), a performance-based bonus decided by the Board, and a life insurance. The contract includes pension benefits pursuant to the Employees' Pensions Act (TyEL). The contract does not specify the CEO's retirement age. The contract may be terminated by either party by giving three (3) months' notice. Should the company decide to terminate the employment contract, the CEO is entitled to a severance pay equivalent of 12 months' salary including fringe benefits in addition to the salary for the period of notice.

The CEO's bonus is based on the company's or its individual units' performance and profitability or on the successful completion of organizational measures. These objectives are specified annually. The CEO's bonus may not exceed EUR 115,000 over 12 months. The CEO is also eligible for the long-term incentive plans for the Group's key personnel (stock option plans).

In 2015, CEO Patrick von Essen's total compensation for his role as the company's CEO was EUR 254,007, including a total of EUR 34,500 in bonus for 2015. In 2015,

the CEO was granted a total of 75,000 stock options under the Group's 2013A option plan and a total of 300,000 stock options under the Group's 2013C option plan. Based on the information obtained from Euroclear Finland Ltd, on December 31, 2015, Patrick von Essen held a total 675,000 stock options and a total 130,000 shares in Dovre Group Plc.

### **Group Executive Team**

The Group Executive Team's remuneration consists of total salary (including salary in money and typical fringe benefits such as car and phone) as well as long- and short-term incentives as decided by the Board of Directors. Short-term incentives include a yearly performance-based bonus decided by the Board. Long-term incentives include option plans, for which all members of the Group Executive Team are eligible. The Board decides on option plans. The Group has not taken out any additional pension insurance for the members of the Group Executive Team.

The Board approves annually the terms and criteria of the Group Executive Team's short-term incentives (or bonuses). Any bonuses are based on the achievement of financial targets, such as operating result and net sales and other related targets, on either Group and/or business unit level. In addition, members of the Group Executive Team may have either individual or team objectives.

In 2015, the total salaries and benefits of the Group Executive Team members, not including the CEO, were EUR 765,898. Performance bonuses totaled EUR 169,646. In 2015, the Group granted a total of 350,000 option rights under the Group's 2013A option plan and a total of 300,000 options under the Group's 2013C option plan to the members of the Group Executive Team. This information does not include options granted to the company's CEO Patrick von Essen.

### **Long-term incentive plans for key personnel (option plans)**

In 2015, the company had two open option plans, 2010 and 2013, both directed to the Group's key personnel. Each stock option entitles the holder to subscribe one share in Dovre Group Plc.

The 2010 option plan was approved by the company's Board of Directors in their meeting on May 27, 2010 based on the authorization given by the Annual General Meeting held on April 18, 2007. The share subscription price and period per series under the 2010 option plan are as follows:

- 2010B: Subscription price EUR 0.36; subscription period March 1, 2013 – February 28, 2016.
- 2010C: Subscription price EUR 0.27; subscription period March 1, 2014 – February 28, 2017.

The subscription period for Dovre Group Plc's 2010A option plan ended on February 28, 2015. In total, 315,000 shares were subscribed for under the option plan, 120,000

of which were subscribed for in 2015. At the end of 2015, a total of 965,000 stock options were outstanding under the 2010 option plan.

The 2013 option plan was approved by the company's Board of Directors in their meeting on January 24, 2013 based on the authorization given by the Annual General Meeting held on March 15, 2012. The share subscription price and period per series under the 2013 option plan are as follows:

- 2013A: Subscription price EUR 0.39; subscription period March 1, 2015 – February 29, 2018.
- 2013B: Subscription price EUR 0.52; subscription period March 1, 2016 – February 28, 2019.
- 2013C: Subscription price EUR 0.45; subscription period March 1, 2017 – February 28, 2020.

At the end of 2015, the company had granted a total of 2,835,000 options under the 2013 option plan. The company had in reserve a total of 315,000 options.

The full terms and conditions of the company's option plans can be found on the company's Investor pages at <https://www.dovregroup.com/investors/corporate-governance.html> -> Remuneration.

The company's Board of Directors has also an authorization granted by the Annual General Meeting held on March 25, 2015, to decide on the issuance of new shares and the granting of option rights and other special rights entitling to shares. The authorization is valid until June 30, 2016. In accordance with the resolution of the Annual General Meeting, the Board may use the authorization, among other things, for the company's incentive programs. The Board may issue a maximum of 12,400,000 shares by virtue of the authorization, and the Board may use the authorization in one or more installments. The Board of Directors did not use the authorization in 2015.

