

Corporate Governance Statement February 26, 2015



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1. General

Fingrid is a public limited company and its governance is based on the Limited Liability Companies Act, the Securities Market Act, its articles of association and its shareholder agreement. In its operations, Fingrid complies with the 2010 Corporate Governance Code for Finnish listed companies, since the company has issued bonds listed on the London Stock Exchange. Fingrid's shares are not subject to public trading.

The company's operations and the duties of its administrative bodies are governed by the Electricity Market Act. The Electricity Market Act stipulates that Fingrid's governance and its grid operations are independent of the production and sales of electricity and natural gas. Fingrid's owners must ensure that they keep separate decision-making which concerns Fingrid and decision-making concerning companies which practice the production or sale of electricity or natural gas.

Fingrid's corporate governance statement has been drawn up in accordance with recommendation 54 of the Corporate Governance Code. The statement was drawn up as a separate report from the annual report and is dealt with by Fingrid's Board audit committee and the Board. Fingrid's auditing organisation PricewaterhouseCoopers Oy has verified that this statement has been provided and that the description of the internal control and risk management systems pertaining to the financial reporting process is consistent with the financial statements of the company.

Fingrid has no such obligation as set out by recommendation 51 of the Corporate Governance Code to maintain an insider register and as such, there is nothing to report of insider administration because its shares are not subject to public trading. In contrast to that stipulated under recommendation 1 of the Code, Fingrid does not publish the minutes of the general meetings on its website. This is due to the small number of shareholders in the company and the fact that the minutes of the general meetings are sent to every shareholder.

The Finnish Corporate Governance Code is available in full at www.cgfinland.fi.

2. Description of Fingrid's administrative bodies



Fingrid's supreme power of decision is exercised by the shareholders in the general meeting. The Board of Directors is responsible for the administration and appropriate organisation of the operations of the company. The Board ensures that the company follows good governance practices. The President & CEO is responsible for the operations of the company, assisted by the executive management group.

Important issues pertaining to Fingrid's customer interface are prepared in an advisory committee whose members are representatives of the company's customers and stakeholders appointed by the Board.

2.1 Annual general meeting

The annual general meeting is the company's supreme decision-making body. Each shareholder has the right to participate in the annual general meeting and to exercise his or her right to vote. The shares of the company are divided into series A shares and series B shares. Series A shares confer three (3) votes each at the annual general meeting and series B shares one (1) vote each. When electing members of the Board of Directors, series A shares confer ten (10) votes each and series B shares confer one (1) vote each.

Decisions at the annual general meeting are primarily made with a simple majority vote. Certain changes to the articles of association nevertheless require support from a qualified majority. In addition, B series shareholders have the right to elect one (1) member of the Board.

The annual general meeting confirms the financial statements, decides on the distribution of profits and elects an auditor and the company Board, a Chair and Deputy Chair of the Board and decides on discharging members of the Board and the President & CEO from liability. In addition, the annual general meeting decides on the remuneration paid to the Board of Directors and its committees. The annual general meeting is held once a year, no later than in June. An extraordinary general meeting should be held if the Board so decides or if the Limited Liability Companies Act (Osakeyhtiölaki, 324/2006) so requires.

The annual general meeting is convened by the company Board. In accordance with the articles of association, invitations to general meetings and other notifications shall be sent to the shareholders at the earliest four (4) weeks and at the latest two (2) weeks before the meeting by mailing the invitation to the annual general meeting as a registered letter to each shareholder to the address entered in the share register of the company.

In accordance with recommendation 1 of the Corporate Governance Code, the notice of the general meeting and the following information shall be made available on the company website at least 21 days before the general meeting:

- The total number of shares and voting rights according to classes of shares at the date of the notice
- The documents to be submitted to the general meeting
- Board proposals for decisions
- Any items on the agenda of the general meeting with no proposal for a resolution.

In addition, the company will place a summary of the decisions made in general meetings on its internet website no later than two (2) weeks after the general meeting.

As a rule, Fingrid's President & CEO, Chair of the Board and other Board members, together with the auditor, are present in a general meeting. Also, a person proposed for the first time as a Board member shall participate in the general meeting that decides on his or her election unless there are well-founded reasons for the absence.

2.2 The Board, its committees and tasks

Fingrid's annual general meeting elects a Board once per year. Shareholders who hold B series shares in the company are entitled to elect one (1) member of the Board through a simple majority decision in accordance with the quantity of B series shares held. Individuals who are board members in a company which practices the sale or production of electricity or natural gas, or in a body which represents such a company, may not be elected as a member of the Board. The general meeting elects one Board member to serve as the Chair of the Board and one member to serve as the deputy chair of the Board. The Board is convened by the Chair or Deputy Chair of the Board.

In accordance with the articles of association, the Board of Directors consists of five (5) members. The Board constitutes a quorum when more than half of its members are present, and one of these is the Chair or the Deputy Chair. The decisions of the Board of Directors are made through a simple majority on the basis of the Board members present in the meeting. New Board members are familiarised with the company's operations. A Board member's period of office expires at the closing of the next annual general meeting following his or her election.

Duties of the Board of Directors

The tasks and responsibilities of Fingrid's Board are set out by the Limited Liability Companies Act and other applicable legislation, as well as the articles of association. The primary duties and principles of the Board of Directors are also specified in the Board's working order. The Board of Directors makes sure that the company adheres to the relevant rules and regulations, articles of association of the company, and guidelines provided by the shareholder's meeting:

- Decides the company strategy
- Accepts the annual action plan and budget on the basis of the strategy and supervises its implementation
- Reviews and accepts the interim reports, annual review and financial statement
- Accepts Fingrid's management system and other key business principles, and confirms the values to be followed in Fingrid's operations
- Annually reviews the risks relating to the company's operations and the management of such risks
- Decides on the operating model of the internal audit and monitors reporting on the internal audit
- Accepts the total amount of purchases and capital investments and its distribution across the various sectors, and decides separately on budgeted purchases and capital investments in excess of 10 million euros and on purchases and capital investments outside the budget
- Appoints and dismisses the President & CEO of the company
- accepts the basic organisation and composition of the executive management group of the company
- Decides on the principles of the remuneration system and on the wages of the President & CEO and the executive management group
- Appoints an advisory committee whose task it is to act as a link between the Board and company management and electricity producers, transmitters, sellers, users and other electricity market actors
- Appoints the members of the audit committee and remuneration committee
- Deals with other business which the Chair of the Board, a Board member or the President & CEO has proposed for inclusion on the agenda
- Also assembles without the presence of executive management
- Assesses its work once a year.

Board committees

The Board has two (2) committees: the audit committee and the remuneration committee. The Board approves the committees' working orders, which are regularly updated. The Board appoints members of the committees from amongst its own members. Each committee has at least three (3) members. The requirements of the Corporate Governance Code will be met when appointing members of the audit committee.

The audit committee is appointed by the Board of Directors and it assists the Board. The Board of Directors has specified the duties of the audit committee in accordance with recommendation 27 of the Corporate Governance Code, in addition to which the audit committee also assesses the audit plans of the auditor and internal auditor, deals with the internal audit reports and supervises adherence to legislation and to the governance principles set by the Board.

The remuneration committee is appointed by the Board of Directors and it assists the Board. The Board has specified the duties of the remuneration committee in accordance with recommendation 33 of the Corporate Governance Code. The remuneration committee is to prepare for the Board of Directors the principles of the remuneration system applied to the executive management and other personnel. The committee also prepares for the Board, on the basis of accepted principles, a proposal concerning the remuneration to be paid to the President & CEO and other members of the executive management group. In addition, the committee also prepares matters concerning the elections of the President & CEO and members of the executive management group and plans their successors.

The audit committee and remuneration committee both carry out a self-evaluation of their operations once a year.

2.3 Company management, the President & CEO and executive management group

Fingrid holds key responsibility for the transmission of electricity in the main grid in Finland and thereby functioning of our entire society. As such, it is important to ensure the social acceptance of our operations through shared values and a Code of Conduct. Operations comply with applicable legislation and international agreements, as well as with principles approved by the Board and policies and guidelines approved by the executive management group. Fingrid's operating principles are published on the company's website.

Fingrid's primary duty is to ensure that the company's basic tasks are managed efficiently. Operations are based on fulfilling the needs of society and customers while taking into account obligations set by the articles of association, shareholder agreements, electricity network licence and the Electricity Market Act.

The company's operations are managed in a matrix of four perspectives: personnel and expertise, internal processes (the adequacy of transmission system, system operation and the promotion of market functioning), finance and business development, and customers.

The operational organisation has been organised into functions. The heads of the functions make up the executive management group of the company. The Board of Directors approves the basic organisation of the company on the level of functions.

Significant special tasks are separated and organised as necessary in a separate company. Such tasks include e.g. special electricity market services, such as the management of the power reserve system and

taking care of the guarantees of origin for electricity, which are carried out by Finextra Oy, entirely owned by the parent company.

President & CEO

The President & CEO conforms with the Limited Liability Companies Act. The President & CEO attends to the administrative routines of the company in accordance with guidelines provided by the Board of Directors. In accordance with the Limited Liability Companies Act, the President & CEO is responsible for ensuring that the company's bookkeeping complies with legislation and that financial management is reliably organised. Assisted by the executive management group, the President & CEO is responsible for the operations of the company and serves as the Chair of the Board of the subsidiary company. The President & CEO is not a member of the company's Board of Directors.

The service terms of the President & CEO have been specified in a separate President & CEO service contract which is approved by the Board of Directors. The retirement age and accumulated pension of the President & CEO are determined in accordance with general pension legislation. The President & CEO does not have a supplementary pension provided by the company. The mutual President & CEO period of notice is six months. If the company dismisses the President & CEO, an amount of money corresponding to nine months' fixed salary is paid to the President & CEO in addition to the salary for the period of notice.

Executive management

The executive management group supports the President & CEO in the company's management and decision-making. Its tasks are:

- To define, implement and monitor the strategy
- To communicate and implement the strategy,
- To draw up an action plan and budget,
- Financial control and risk management,
- Resource planning, procurement and control,
- External communications and working with interest groups
- To prepare matters for the Board of Directors,
- To develop executive management work.

Each member of the executive management group is responsible for day-to-day business operations of the organisation in his or her area of responsibility and for implementing operative decisions.

2.4 Financial audit and internal audit

Financial audit

An authorised public accounting company selected by the general meeting will act as auditor for the company. The company's financial auditor will inspect the accounting, financial statements and financial administration for each financial period and provide the general meeting with reports required by accounting legislation or otherwise stipulated in legislation. The financial auditor will report on his or her work, observations and recommendations for the Board and may also carry out other authorisation-related tasks commissioned by the Board or management.

Internal audit

The Board will decide on the operating model for the company's internal audit. The internal audit will act based on plans processed by the audit committee and approved by the Board. Audit results will be reported to the object of inspection, the President & CEO, the audit committee and the Board. Upon

decision of the Board, an internal audit outsourced to an authorised public accounting company will act within the company. From an administrative perspective, the audit will be subordinate to the company's President & CEO. The internal audit provides a systematic approach to the assessment and development of the efficacy of the company's risk management, monitoring, management and administrative processes and ensures their sufficiency and functionality as an independent party. The internal audit has the authority to carry out reports and to access all information that is essential to the audit. The company's internal audit will carry out risk-based auditing on the company's various processes.

2.5 The advisory committee

The company's executive management is assisted by an advisory committee with 10 to 14 members appointed by the Board of Directors. It serves as a link between the company, its customers and other interest groups. The advisory committee is an advisory body which provides perspectives on the company's grid operations and customer services from a customer point of view. The term of office of the members of the advisory committee is three years. The advisory committee widely represents electricity producers, transmitters, sellers, users and other electricity market actors. The advisory committee is not a decision-making body. The advisory committee is set out in the company's articles of association. The Board of Directors will annually confirm the advisory committee's regulations and appoint its members. The President & CEO and Vice President responsible for the company's customer relationships will participate in the advisory committee's meetings.

3. Fingrid's administrative bodies and their operations in 2014

3.1 Annual general meeting

Fingrid's annual general meeting was held on 6 June 2014. The main decisions from the annual general meeting have been published on the company's website.

In addition, the company also held an extraordinary general meeting on 18 June 2014. The main decisions from the extraordinary general meeting have been published on the company's website.

3.2 Board of Directors

Until the annual general meeting on 6 June 2014, Helena Walldén (Chair), Juha Majanen (Deputy Chair), Sirpa Ojala, Esko Torsti and Matti Rusanen were all on the Board. In the annual general meeting, Helena Walldén (Chair), Juha Majanen (Deputy Chair), Juhani Järvi, Sirpa Ojala and Esko Torsti were elected as members of the Board.

Of the Board's members, Helena Walldén and Juhani Järvi are independent from the company and its significant shareholders; the other members are independent from the company. The Board convened 16 times over the course of the year. The company's President & CEO, CFO and general counsel, who is the Board's secretary, participated in Board meetings.

During 2014, the Board decided on matters such as Fingrid's strategy 2015 - 2024, the 2015 budget, the company's policy on dividends and on significant investments such as the substation and transmission line investments to be constructed in Ostrobothnia. In its meetings, the Board discusses matters which have featured on committees' agendas.

Members of the audit committee were Juha Majanen (Chair), Juhani Järvi and Helena Walldén. The committee convened 5 times in 2014. The President & CEO has participated in the committee's meetings. In its meetings, the audit committee has dealt with issues such as the audit plans and audit reports of the auditor and internal audit, risks and risk management principles, financing principles, and a corporate governance statement.

The members of the remuneration committee are Helena Walldén (Chair), Sirpa Ojala and Esko Torsti. During 2014, the remuneration committee convened twice. The President & CEO attended the committee's meetings. Meetings dealt with the remuneration systems for personnel and executive management and successor planning.

The Board and its committees assess their operations once a year.

The company's general counsel Marina Louhija acts as the Board's secretary,

Fingrid Oyj's Board of Directors as of 31.12.2014

Name	Year of birth	Education	Main position	Attendance at Board meetings	Attendance at committee meetings
Chair Helena Walldén	1953	M.Sc. (Tech)	Independent from the company and significant shareholders	15/16	Audit committee 5/5 Remuneration committee 2/2
Deputy Chair Juha Majanen	1969	LL.B.	Ministry of Finance, Head of Fiscal Policy Unit, independent from the company, non-independent from significant shareholders	16/16	Audit committee 5/5
Juhani Järvi	1952	M.Sc. (Finance)	Rautakesko Oy, Vice President, International Projects, independent from the company and significant shareholders	8/8	Audit committee 3/3
Sirpa Ojala	1963	M.Sc. (Tech)	Independent of the company and non-independent from significant shareholders	15/16	Remuneration committee 2/2
Esko Torsti	1964	Lic. Pol.	Ilmarinen Mutual Pension Insurance Company, Vice President, independent from the company and non-independent from significant shareholders	16/16	Remuneration committee 1/1 Audit committee 2/2
Matti Rusanen	1961	M.Sc. (Agriculture and Forestry) eMBA	Ilmarinen Mutual Pension Insurance Company, Head of Listed Securities, independent from the company and non-independent from significant shareholders	8/8	Remuneration committee 1/1

3.3 President & CEO and executive management group

President & CEO

Jukka Ruusunen has acted as Fingrid's President & CEO since 2007.

Executive management group

In addition to President & CEO Jukka Ruusunen, the company's executive management group in 2014 also included Executive Vice President Kari Kuusela (asset management), Executive Vice President Juha Kekkonen (market), Senior Vice President Jussi Jyrinsalo (customers and grid planning), Senior Vice President Tiina Miettinen (personnel and communications), Senior Vice President Jan Montell (finance and business development), Senior Vice President Reima Päivinen (power system operation) and Senior Vice President Kari Suominen (ICT).

The company's executive management group convened 15 times during the year.

3.4 Financial audit and internal audit

Financial auditor

The general meeting selected authorised public accountants PricewaterhouseCoopers Oy as the company's financial auditor. Authorised public accountant Jouko Malinen serves as the company's responsible auditor. The general meeting decided that the auditor's fee and expenses are paid on the basis of an invoice accepted by the company.

Auditor's fees, EUR 1,000	2014	2013
Auditing fee	50	51
Other fees	150	97
TOTAL	200	148

Internal auditor

In 2014, authorised public accountants Ernst & Young Oy served as the company's internal auditor and carried out a total of 3 audits. The audits concerned data traffic, reserve power plant asset management and dealing with environmental deviations. The total fees paid to Ernst & Young Oy for auditing tasks were EUR 78,943. Based on competitive bidding, the company's Board of directors selected Deloitte & Touche Oy as new internal auditors for 2015-2017.

3.5 The advisory committee

The composition of the advisory committee is set out on the company's website.

4. Internal control and risk management

4.1 General principles

Fingrid's internal control is a natural component of company operations and deals with all those operating methods and procedures whose objective it is to ensure that

- The company's operations comply with the strategy, are effective and productive,
- That management information and other reporting is flawless and reliable,
- That risk management is sufficient, and
- That applicable legislation, guidelines, regulations and the company's own operating guidelines are complied with.

Risk management is part of internal control. Comprehensive risk management refers to systematic and uniform operating methods with which to identify, assess, monitor and protect against various risks which can arise from threats and which affect the company's operations, environment, personnel and assets. Continuity management is a component area of risk management and a procedure whose objective is to improve the organisation's capacity to react in the best possible way should risks occur and to thereby ensure the continuity of Fingrid's operations in such situations. In line with Fingrid's basic task, risks, their impact and management are also inspected from a societal perspective.

Well-functioning internal control is founded on good management, a healthy corporate culture, appropriate procedures and processes, sufficient monitoring procedures, open and transparent distribution of information, continuous monitoring and development of operations and processes and independent verification.

Further information on internal control, risk management and the foremost risks and factors of uncertainty is available on the company's website at www.fingrid.fi and in the Board of Directors' annual review.

4.2 Distribution of responsibility

Board of Directors

The company's board is responsible for organising internal control and risk management, and it approves the principles of internal control and risk management on an annual basis. The board decides on the company's strategy and action plan, which include determining the related strategic risks and their key risk management procedures, as well as monitors their occurrence. The board decides on the operating model for the company's internal audit. The board (audit committee) regularly receives reports from the internal audit and financial auditor, as well as a status update at least annually on strategic risks relating to the company's operations and their management, as well as risks that have occurred.

Policy management and other organisation

Assisted by the executive management group, the President & CEO is responsible for defining policies concerning the company's internal control and risk management, their practical implementation and the assessment of strategic risks and associated risk management at a company level. Perspectives and functions carry out internal control and risk management in the relevant areas of responsibility. The heads of functions are responsible for the risks concerning operations in their areas of responsibility and are in

charge of identifying, assessing and managing risks, the sufficiency and efficiency of control measures and detailed guidelines and reporting risks and non-conformities.

The company's supporting specialists coordinate, support and monitor the implementation of internal control and risk management from various perspectives and functions. Each Fingrid employee is obligated to identify and report any risks or control deficiencies she or he observes and to carry out the agreed risk management procedures.

4.3 Description of the main features of internal control and risk management related to the financial reporting process

The internal control systems relating to the financial reporting process are part of a more extensive overall system of Fingrid's internal control.

Control environment of financial reporting process

The Fingrid Group comprises the parent company Fingrid Oyj and its fully-owned subsidiary Finextra Oy. Associated companies are Porvoon Alueverkko Oy (holding 33.3%), eSett Oy (holding 33.3%) and Nord Pool Spot AS (holding 18.8%). The Group has no joint ventures.

The financial administration of the company is responsible for the Group's centralised financial reporting and for the internal control and risk management of financial reporting. There is monthly reporting of the financial situation to the executive management group and those with budget responsibility as well as to the heads of units and functions. The reporting includes information on the proceeds, costs and capital investments in the relevant area of responsibility. In addition to financial accounting reports, the reporting covers comprehensive reports which contain business information. These are produced by means of cost accounting and the financial control system.

The interpretation and application of the standards governing financial statements are centralised at the Group's financial administration, which monitors the accounting standards (IFRS, FAS), maintains an account scheme, draws up internal guidelines for the financial statements, and is responsible for the financial reporting process. The process is documented and it specifies how, when and on what schedule the month-end accounts are drawn up.

Fingrid draws up the consolidated financial statements and interim reports in accordance with IFRS reporting standards accepted by the European Union and in accordance with the Finnish Securities Market Act. The annual review and the financial statements of the parent company of the Group are prepared in accordance with the Finnish Accounting Act as well as the guidelines and statements of the Finnish Accounting Standards Board.

The internal control and risk management systems and procedures related to the financial reporting processes, described in more detail below, have been devised so as to make sure that financial reporting by the company is reliable, coherent and timely and that the financial reports published provide an essentially true and fair view of Fingrid's finances.

Roles and responsibilities of the financial reporting process

The Fingrid Board of Directors is primarily responsible for the specification of the principles for internal control and risk management related to financial reporting, and the Board of Directors makes sure that these principles are followed in the company. The Board of Directors reviews and accepts the interim reports, annual review and financial statement. The audit committee assists the Board of Directors in this

by monitoring the efficiency of internal control, internal audit and risk management systems of the company.

The finance department of the Group is responsible for developing the financial reporting process through means such as monitoring the development needs of controls related to financial reporting, by supervising the sufficiency and efficiency of these controls, and by making sure that external reporting is correct and up to date and that the regulations pertaining to reporting are followed.

The company's financial auditor and internal audit will carry out inspections relating to financial reporting from time to time.

Risk management, control procedures and monitoring of the financial reporting process

Controls pertaining to risk management are set throughout the Group, at all levels and units of the Group. Examples of the controls include internal guidelines, acceptance procedures and authorisations, cross-checking with cost accounting, matching, checking, assessment of operative efficiency, securing of assets, and differentiation of tasks. The financial administration of the Group is responsible for the control structures relating to the financial reporting process.

The control of the budgeting process is based on the budgeting guidelines, with the financial administration of the Group being responsible for their specification, centralised maintenance, and for monitoring compliance with them. The principles are applied uniformly throughout the Group, and there is a common reporting system in use.

The monthly financial reporting to the executive management group together with the related analyses constitute the primary control and monitoring process in securing the efficiency and purposefulness of the functions and the accuracy of financial reporting. The analyses compare the achieved business result to the budget and to the previous year as far as the various proceed and cost components are concerned, and the budget is compared to the quarterly forecast. The monitoring of cash flow and capital investments is part of this process.

Verifying the accuracy of monthly reporting employs the company's financial control system, which the controllers and heads of units of the company can use for finding essential errors and anomalies. The accuracy of financial reporting is also ensured by taking care of good data security and data protection. The goal is to avoid risky work combinations wherever possible. User rights are checked regularly, and user rights are determined by the position of a person in the organisation. Backups are taken regularly of the databases used in the financial control system and accounting system. The company has a data security manager who is responsible for the management and development of data networks and data security, as well as for providing personnel with guidance concerning data security matters.

Controls for the financial reporting processes are developed as part of internal control. The personnel are given training in how to monitor the correctness of the information produced by the financial reporting process of the company, concerning cost allocation, posting, acceptance procedures for invoices and receipts, as well as for budgeting and actual result follow-up.

The company's auditor and internal audit carry out regular inspections on the functionality of controls concerning the financial reporting process and on the accuracy of information.

5. General remuneration principles at Fingrid

The annual general meeting decides on the remuneration for Board members and the financial auditor. Fingrid's Board of Directors approves the principles of remuneration for management and personnel, as well as the remuneration systems for a given year.

5.1 Remuneration and other benefits for the members of the Board of Directors

Each member of the Board is paid a fixed annual fee and a meeting fee. The meeting fee is also paid for committee meetings. The members of the Board have no share or share-related remuneration schemes or supplementary pension schemes. Fingrid does not pay pension fees for the Board's remuneration.

5.2 Remuneration of executive management

The total remuneration of the members of the executive management group consists of a fixed total salary, a one-year bonus scheme, and a three-year long-term incentive scheme. The maximum amount of the one-year bonus scheme payable to the President & CEO is 25 per cent of the annual salary, and the maximum amount payable to the other members of the executive management group is 20 per cent of the annual salary. The maximum amount of the annual long-term incentive scheme payable to the President & CEO is 35 per cent and the maximum amount payable to the other members of the executive management group is 25 per cent.

The criteria of the one-year bonus scheme are cost efficiency, customer satisfaction, functioning of the workplace community, and management. The other indicators comprise the attainment of the key objectives of each member of the executive management group. The indicators of the long-term incentive scheme are operational reliability, electricity market functionality and shareholder value. Social responsibility is taken into account in both the year-long and long-term incentive schemes.

The members of Fingrid's executive management group have no share or share-related remuneration schemes or supplementary pension schemes.

5.3 Personnel remuneration

Personnel salaries comprise the basic salary determined according to the content of the task, competence, experience and results, an annual quality fee that encourages the effective implementation of the strategy, and an incentive bonus to support personal performance. Remuneration is supplemented by other benefits and worktime flexibility organised by the company. Results which form the basis of quality bonuses are measured using company and function-level indicators defined annually. Incentive bonuses are paid for good performance as part of the daily management of personal performance.

6. Remuneration in 2014

6.1 Board of Directors

The annual general meeting confirmed the following monthly fees for the Board members on 6 June 2014:

- Chair of the Board EUR 2,400
- Deputy Chair of the Board EUR 1,300
- Board members EUR 1,000

In addition, it was decided that Board members will be paid a meeting fee of EUR 600 for each meeting and committee meeting attended by the member. In 2014, the Board convened 16 times, the audit committee convened 5 times and the remuneration committee convened twice.

Overall fees paid to Board members in 2014:

	On the Board in 2014	Fees total EUR 2014*	On the Board in 2013	Fees total EUR 2013*
Chair Helena Walldén	1.1.-31.12.	42,000	1.1.-31.12.	41,900
Deputy Chair Juha Majanen	1.1. - 31.12.	28,200	1.1. -31.12.	25,800
Juhani Järvi, Board member	6.6. - 31.12.	13,409	-	
Sirpa Ojala, Board member	1.1. - 31.12.	22,200	1.1.-31.12.	21,800
Esko Torsti, Board member	1.1. - 31.12.	23,400	1.1. - 31.12.	22,800
Matti Rusanen, Board member	1.1.- 6.6.	11,400	27.5. - 31.12. 1.1. - 27.5. deputy member	14,900
Timo Ritonummi, deputy member	1.1. - 6.6.	1,350		2,700
Niko Ijäs, deputy member	1.1. - 6.6.	1,350	1.1. - 31.12.	2,700
Marja Hanski, deputy member	1.1. - 6.6.	1,950	1.1. - 31.12.	3,200
Jari Eklund, deputy member	-	-	1.1. - 27.5.	1,600
Ari Hakala, deputy member	1.1. - 6.6.	1,350	27.5. - 31.12.	1,600
Katja Salovaara	1.1. - 6.6.	1,350	27.5. - 31.12.	

* Includes annual fee and meeting fees

6.2 President & CEO and executive management group

The table below indicates the salaries and benefits of Fingrid's President & CEO and other members of the executive management group in 2014:

	SALARIES AND BENEFITS	Variable merit pay*	2014	2013
President & CEO	253,200	79,700	329,900	327,400
Executive management group	950,400	154,300	1,104,700	1,107,600
TOTAL	1,203,600	234,000	1,434,600	1,435,000

*The merit pay in 2014.