

# CORPORATE GOVERNANCE STATEMENT 2013

## COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE OF FINNISH LISTED COMPANIES

Vacon Plc adheres to the Finnish Corporate Governance Code for listed companies (2010) ("Corporate Governance Code") in its entirety. This Corporate Governance Statement has been compiled in accordance with Section 7, Chapter 7 of the Securities Market Act (746/2012) and Recommendation 54 of the Corporate Governance Code. The company's Audit Committee has approved the Statement. The company's auditor PricewaterhouseCoopers Oy has verified that the Statement has been issued and that the description contained in it concerning the main principles of the internal audit and risk management systems related to the financial reporting process is consistent with the financial statements. The Corporate Governance Code in full is available on the Securities Market Association website at [www.cgfinland.fi](http://www.cgfinland.fi). The company's Corporate Governance Statement is available on the company's website at [www.vacon.com](http://www.vacon.com) > Investors > Corporate governance. Vacon Plc's shares are listed on the NASDAQ OMX Helsinki.

The Board of Directors' report for 2013 is included in the Annual Report, available on the company's website at [www.vacon.com](http://www.vacon.com)

> Investors > Publications and releases > Annual reports.

## INTERNAL MONITORING AND RISK MANAGEMENT SYSTEMS RELATED TO FINANCIAL REPORTING

### Monitoring systems

Vacon Plc's Board of Directors is responsible for the appropriateness of management and operations of the Vacon Group. Vacon Plc's President and CEO ("CEO") is, with the support of the Vacon Executive Management Team, responsible for arranging mechanisms for internal monitoring, risk management, internal audit, accounting, and financial administration. The guidelines cover the entire Vacon Group. The monitoring systems aim to ensure the legality of operations, compliance with rules, and reliability of financial reporting in the company.

### Internal monitoring

The Vacon Group's annual strategy process determines the strategy and also the Group's targets, main actions, and budget for the next financial year. Vacon Plc's Board of Directors approves the strategy and the annual business plan. The company's new long term strategy, as approved in November 2013, is described below in a chapter regarding the Board of Directors.

The Group's Executive Management Team meets monthly, and regularly monitors and handles the Group's financial situation and the implementation of the business plan. Furthermore, each function monitors the achievement of its targets in its management team on a monthly basis. Vacon Plc's Board of Directors receives weekly reports on Group-level orders, and the monthly performance is reported and discussed in Board meetings. In the Board meetings, Vacon Plc's CEO presents in his monthly report the key financial figures and the most significant events and trends affecting the Group's business operations and their development.

The Vacon Group's financial performance is monitored monthly through a Group-wide consolidation and reporting system.

The reporting system covers the income statements, balance sheet figures, and key figures of the Group, parent company, and subsidiaries, and, in addition, production indexes for the production sites. The orders received by the production sites and sales companies as well as invoicing are monitored in the Group on a daily basis. Comparison figures used in all monitoring are the budget, the actual figures from the previous year, and the current year's forecasts.

The company has launched a program to

develop its information systems in support of its growth targets for the future.

The Group's financial administration and financial officers of the subsidiaries form a network which monitors the financial management of the Group. The Group's financial reporting process adheres to the guidelines drawn up by the Group in compliance with legislation, the International Financial Reporting Standards (IFRS) and other requirements set for listed companies.

### Internal audit

The purpose of Vacon's internal audit is to ensure that the company implements its strategy in accordance with the agreed operational principles and processes and that the internal audit system works. The internal audit works in cooperation with other monitoring functions. Furthermore, the operations of the internal audit have been aligned with the auditing work of the external auditors.

The internal audit assists the operative management in particular, but also the Board of Directors and its Audit Committee in their duties relating to the monitoring and management of the company. The Audit Committee approves the annual internal audit plan and receives regular reports on the internal audits completed. At least once a year the internal audit presents its

report also to the Board of Directors. If necessary, audits are also performed in units beyond the annual plan. The units to be audited are always selected for one year at a time, taking into account the extent of financial auditing carried out in the units in question, the diversity of the unit's operations, and the experience basis accumulated in the company. In its major subsidiaries Vacon seeks to carry out an internal audit once a year and in others at approximately three-year intervals.

The person who is in charge of the internal audit reports in this capacity to the Group's CFO, and, if needed, she/he has a direct access to the CEO and the Board of Directors. The Group's own resources as well as resources of an independent third party are used in the internal audit. The internal audit offers corrective process instructions to units when needed and implements the Group's existing and proven practices and processes in the subsidiaries.

### Risk management

Vacon's risk management is governed by the risk management policy approved by the Board of Directors, defining the objectives, principles, roles and responsibilities of risk management. The company's risk management aims to ensure that business objectives are met and the continuity of business operations is secured. Risk management is part of the management of the Group's business operations; it is proactive and aims to take all fundamental risks into account.

Identifying and assessing risks are important parts of the risk management process. Risks are reviewed at two-year intervals at a more detailed level, and, with

regard to the most important risks, action plans are made, and such plans are monitored quarterly.

The underlying principle is that risk management is spread throughout all levels of the organization. Every employee is encouraged to identify, assess and report risks. Employees are expected to report any risks either to their immediate superior or to the Group's CFO, who is in charge of the maintenance and development of risk management methods, risk reporting, and insurance programs. The Executive Management Team assesses risks regularly, revises risk reporting, if necessary, and reports to the Board of Directors of the parent company on the company's key risks.

Vacon renewed its risk management policy in 2012. Said policy defines the targets aiming at ensuring:

- the safety of the personnel of the Vacon Group, its customers and third parties
- the competence of the personnel of Vacon
- the safety and high quality of Vacon's products and operating methods
- compliance with local and international laws, decrees and recommendations
- the identification of risks and taking such risks into account in decision-making
- the continuity of business operations and sustainable growth, and
- the appropriate protection of Vacon's intellectual property rights, brand and reputation.

The risk management policy is reviewed annually to ensure that it is up to date. It is available for all employees and included in the orientation of new employees. More in-

formation about risk management is available to employees, for example, on the Group's intranet. Vacon Plc describes the significant near-term risks and uncertainties associated with the business operations in its interim reports and in the Board of Directors' report.

### Insider administration

Vacon Plc follows the insider guidelines for the listed companies of NASDAQ OMX Helsinki and the company's own insider guidelines, which in certain aspects set stricter requirements for handling insider information than those of the NASDAQ OMX Helsinki. The insider guidelines of Vacon Plc were updated in 2013 to take into account, in particular, the provisions of the new Securities Markets Act (746/2012).

Vacon Plc has in 2013 maintained its public and company-specific registers of insiders in the SIRE system of Euroclear Finland Oy. The company's public permanent insiders, based on their position as stated in the Securities Market Act, comprise the Board of Directors, the CEO and his deputy, and the auditor. In addition to these, according to a decision of the parent company's Board of Directors, other public permanent insiders are the other members and the secretary of the Executive Management Team, the secretary to the parent company's Board of Directors, as well as the spouses or registered partners of all the above, minors, and other family members who have lived in the same household for at least one year. Vacon Plc's company-specific insiders include personnel in the Group's management, finance and communications departments and the executive assistants of senior

management. The company also establishes and maintains project-specific insider registers if required by law or other regulations.

The duration of Vacon Plc's silent period is 21 days. The silent period ends upon the publication of an interim report or financial statements release including the date of publication. During the silent period, Vacon Plc's permanent insiders are not allowed to trade in the company's securities. The company does not comment on the market outlook and does not meet financial market or media representatives during the silent period. Also, Vacon Plc does not purchase its own shares during this period. Project-specific insiders may not trade in the company's securities before the termination of the project in question.

As in previous years, training events were organized also in 2013 for the company's company-specific insiders in order to review the insider regulations and guidelines.

### Audit

In accordance with Vacon Plc's Articles of Association, the company has a minimum of one (1) and a maximum of two (2) auditors and at a maximum the same number of deputy auditors. The auditors must be public accountants or accounting firms authorized by the Central Chamber of Commerce of Finland. The auditors re-elected by Vacon Plc's Annual General Meeting on 26 March 2013 are the authorized public accountants PricewaterhouseCoopers Oy (PwC) and the principal auditor appointed by PwC for the financial year was Markku Katajisto, APA. PwC has acted as the company's auditor as of 2011 and Markku Katajisto as the princi-

pal auditor for the same period. In addition to the duties in accordance with current regulations, the auditor also reports on his observations in the audit to Vacon Plc's Board of Directors and the Audit Committee.

The combined fees of PwC related to auditing for the entire Group were approximately EUR 178,000 (EUR 134,000 in 2012). Other fees paid to PwC by the Group were approximately EUR 288,000 (EUR 177,000 in 2012).

### GENERAL MEETING

The highest authority in Vacon Plc is exercised by the company's shareholders in the General Meeting, which is convened by the company's Board of Directors. The Annual General Meeting is held annually on a date determined by the Board of Directors, but no later than at the end of June. Extraordinary General Meetings are convened when necessary. The main matters falling within the jurisdiction of the General Meeting include adopting the financial statements, distribution of dividends, discharging the members of the Board of Directors and the CEO from liability, deciding on the number of Board members and auditors and their election and remuneration, and possible amendments to the Articles of Association.

More information on convening and attending the General Meeting and on decision-making in the meeting is available on the company's website at [www.vacon.com](http://www.vacon.com) > Investors > Corporate Governance > Annual General Meetings. The company is not aware of any shareholder agreements concerning the use of voting rights in the company or of any agreements limiting the disposal of the company's shares

with the exception of an undertaking by AC Invest Three B.V., a wholly owned subsidiary of Ahlström Capital Oy, to refrain from selling its shares in Vacon Plc on the market for a period of 270 days following the sale of shares on 3 December 2013.

It is the company's aim that all Board members and the auditor attend the Annual General Meeting. Persons nominated for the first time as candidates for Board members shall attend the General Meeting that elects the Board members, unless they have very pressing grounds for being absent. The CEO of the company attends all General Meetings.

In 2013, Vacon Plc's Annual General Meeting was held on 26 March 2013 in Vaasa. 138 shareholders were represented at the meeting, holding a total of approximately 68% of the voting rights of the company. All members of the Board of Directors attended the meeting. In addition, the meeting was attended by the CEO and the other members of the Executive Management Team, other persons from the company's management and the representatives of the company's auditing firm. Documents from the Annual General Meeting 2013 are available on the company's website at [www.vacon.com](http://www.vacon.com) > Investors > Corporate Governance > Annual General Meetings > AGM 2013.

### COMPOSITION AND OPERATIONS OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

#### Composition and term of office of the Board of Directors

According to the Articles of Association,

Vacon Plc's Board of Directors has at least five and at most seven members chosen by the General Meeting. The members of Vacon Plc's Board of Directors are elected by the Annual General Meeting for a term of one year at a time. The Articles of Association do not stipulate a maximum age limit for Board members nor do they limit the number of terms of office. The Board of Directors convenes for an organization meeting immediately after the Annual General Meeting and elects a Chairman and Vice Chairman from among its members for one term of office.

Vacon Plc's Annual General Meeting held on 26 March 2013 decided that the number of the members on the Board of Directors remains at seven. Pekka Ahlqvist, Jari Eklund, Jan Inborr, Juha Kytölä, Panu Routila, Mika Vehviläinen, and Riitta Viitala were re-elected as Board members. Panu Routila was elected as Chairman and Mika Vehviläinen was re-elected as Vice Chairman of the Board of Directors at the organization meeting of the Board. Jan Inborr, the former Chairman of the Board of Directors, had informed that he is no longer available for re-election as the Chairman for the term of office 2013-2014. The biographical details of the Board members and their shareholdings in the company are set forth at the end of this statement.

#### Duties of the Board of Directors

The tasks and duties of Vacon Plc's Board of Directors are defined on the basis of the Finnish Companies' Act, the company's Articles of Association, and the Board of Directors' rules of procedure. The Board of Directors is responsible for the company's administration and the arrangement of its

operations. The Board is responsible for the proper supervision of accounting and control of financial matters.

The company's Board of Directors has approved written rules of procedure on the duties of the Board, matters to be discussed, as well as meeting practices and decision-making procedures. The Board revises its rules of procedure annually to ensure conformity with good corporate governance at all times.

According to the rules of procedure, Vacon Plc's Board of Directors, among other things, confirms Vacon Plc's and the Vacon Group's long-term objectives and strategy, approves the Group's business plan, budget, and financial plan, and monitors their implementation, decides on major and strategically important single investments and approves the investment programs of the Group companies, monitors the Group's financial performance and the achievement of goals, appoints Vacon Plc's CEO and his deputy as well as the members of the Executive Management Team. The Board of Directors decides on the composition of the subsidiaries' Boards of Directors, the principles of remuneration and incentive systems of the personnel, reviews and approves interim reports, the consolidated and the parent company's financial statements and Board of Directors' report, and confirms the values of the Vacon Group.

In November 2013, the Board of Directors approved Vacon's strategy for 2014-2020, new financial targets based on said strategy as well as a new vision. Vacon's strategy is based on a 100% focus on AC drives. Vacon will further build its broad product, application and service portfolio. It will introduce

medium-voltage AC drives and system drives. The company will also expand its service business. Vacon's differentiation and competitive advantage are based on four elements: product leadership, profound application know-how, extensive services and unique organizational culture.

Financial targets relate to growth and profitability. The target is to achieve an average annual revenue growth of over 10%. The long-term profitability target is to achieve a sustainable EBIT margin level of 14%.

Vacon's vision is to create The Drives Family around its AC drives business, a community where the best people work together to develop the best products, applications and services for Vacon's customers. The Drives Family consists of all the people who are Driven by Drives.

#### Evaluation of independence

At the beginning of 2013, Vacon Plc's Board of Directors evaluated the independence of the Board members in accordance with Recommendation 15 of the Corporate Governance Code.

Based on this evaluation, the Board declared that all members of the Board are independent of the company and that all Board members with the exception of Panu Routila are also independent of the major shareholders of the company. Panu Routila is the CEO of Ahlström Capital Oy, whose subsidiary AC Invest Three B.V. is a significant shareholder of Vacon Plc.

#### Decision-making

Vacon Plc's Board of Directors shall act in the interests of the company and in such a way that its operations will not result in an unjustified

advantage for any shareholder or other party at the expense of the company or another shareholder. A Board member is disqualified from being present when the Board considers matters involving the Board member in question and the company. The chairman of the Board of Directors is responsible for convening Board meetings and for meeting practices. When votes are taken, the majority opinion is the Board's decision and, in the case of a tie, the Chairman has a casting vote. In an election of persons, a tie is decided by drawing lots.

#### Meeting practice and self-assessment

Vacon Plc's Board of Directors generally convenes approximately 10 times per year. In addition to the Board members, the company's CEO and CFO, as a rule, attend Board meetings. Other members of the Executive Management Team attend the meetings upon invitation by the Board. The General Counsel of Vacon Plc acts as the secretary to the Board of Directors. The Board of Directors has not allocated special areas of focus for its members to monitor business operations. Matters are presented at meetings by the CEO or, at his request, by another member of the Executive Management Team. According to the Board of Directors' rules of procedure, the CEO ensures that the Board obtains sufficient information to assess the operations and financial situation of the Group. In addition, the parent company's CEO supervises the implementation of the Board's decisions and reports to the Board on any deficiencies or problems in implementation.

The Board evaluates its work and procedures annually.

In 2013, the Board held 12 meetings. The average attendance percentage of the Board members was 94%.

Attendance of the members of the Board of Directors in meetings:

Member of the Board of Directors	Number of meetings attended	Attendance rate
Panu Routila, chairman	12	100
Mika Vehviläinen, vice-chairman	9	75
Pekka Ahlqvist	11	92
Jari Eklund	12	100
Jan Inbarr	11	92
Juha Kytölä	12	100
Riitta Viitala	12	100

#### Fees and other benefits of the members of the Board of Directors

Vacon Plc's Annual General Meeting decides each year on the fees and principles for reimbursing expenses to the members of the Board of Directors. Fees to the Board members are paid as monetary compensation.

The fees payable to the members of Vacon Plc's Board of Directors in accordance with the 2013 Annual General Meeting were as follows:

Remuneration, EUR thousand	2013	2012	2011
Member of the Board of Directors			
Panu Routila, chairman	43	25	45
Mika Vehviläinen, vice-chairman	29	23	45
Pekka Ahlqvist	26	21	45
Jari Eklund	30	25	45
Jan Inbarr	42	44	90
Juha Kytölä	30	25	45
Riitta Viitala	29	23	45

- monthly fee for the Chairman EUR 3,000
- monthly fee for each Board member EUR 1,500
- a bonus depending on the Group's revenue and operating profit, which may be a maximum of EUR 3,000 a month for a Board member and a maximum of EUR 6,000 a month for the Chairman
- a fee of EUR 500 per meeting for the members of the Board's permanent committees for their attendance in the committee meetings.

The Board members are entitled to per diem allowances and reimbursement of travel expenses in accordance with Vacon Plc's Travel Policy.

The total amount of fees paid to the members of the Board of Directors was approximately EUR 229,000 in 2013 (EUR 186,000 in 2012). A bonus accumulated on the basis of the 2012 revenues and operating profit was paid to the members of the Board in 2013. The total fees of each member are displayed in the table below.

The principles of the remuneration of the Board members are described in more detail in the Remuneration Statement available on the company's website at [www.vacon.com](http://www.vacon.com) > Investors > Corporate Governance > Remuneration Statement

## COMMITTEES

### Nomination and Remuneration Committee

Vacon Plc's Board of Directors has established a combined Nomination and Remuneration Committee, comprising three members of the Board. The committee prepares matters and makes recommendations for the General Meeting and the Board to decide on. The Board of Directors has confirmed the main duties and working procedures of the Nomination and Remuneration Committee in a written charter. The duties of the Nomination and Remuneration Committee include, among other things, assisting the Board in the preparation and handling of matters pertaining to the nomination and remuneration of the Board members and the executives of Vacon. The committee also handles the principles of proposed incentive plans for the personnel as well as pay-outs under said plans prior to their handling at the Board meeting.

On 26 March 2013, the Board re-elected Jan Inbarr as the Chairman of the committee and Mika Vehviläinen and Riitta Viitala as members of the committee. All of them are independent of the company and its significant shareholders. The Nomination and Remuneration Committee had six meetings in 2013. The committee members attended the meetings as follows:

Member of the Remuneration and Nomination Committee	Number of meetings attended	Attendance rate
Jan Inbarr, chairman	6	100
Mika Vehviläinen	5	83
Riitta Viitala	6	100

The average attendance percentage of the Committee members was thus 94%.

### Audit Committee

Vacon Plc's Board of Directors has established an Audit Committee comprising three Board members.

The Board of Directors has confirmed the main duties and working procedures of the Audit Committee in a written charter. The objective of the committee is to assist the Board in its supervisory responsibilities and ensure that the Board is aware of matters which may significantly impact Vacon's financial condition or businesses. Accordingly, the Committee prepares matters relating primarily e.g. to financial reporting, internal control, auditing and compliance with laws and regulations before the handling of such matters by the Board. In addition, the committee makes decisions in certain matters as specified in its charter, for example, approves the annual plan of the internal audit.

On 26 March 2013, the Board re-elected Panu Routila as the Chairman of the committee and Jari Eklund and Juha Kytölä as members of the committee. All of them are independent of the company and its significant shareholders, with the exception of Panu Routila who is the CEO of Ahlström Capital Oy, the parent company of AC Three Invest B.V. who is a significant shareholder of Vacon Plc. All members have expertise in accounting, bookkeeping or auditing.

The Audit Committee had seven meetings in 2013 and its members attended the committee meetings as follows:

Member of the Audit Committee	Number of meetings attended	Attendance rate
Panu Routila, chairman	7	100
Jari Eklund	7	100
Juha Kytölä	7	100

The average attendance percentage of the Committee members was thus 100%.

## CEO AND OTHER MANAGEMENT

### CEO

Vacon Plc's Board of Directors appoints the parent company's CEO and defines the terms and conditions for his service in writing. The CEO is in charge of the company's administration and day-to-day management. He is accountable to the Board for the achievement of the goals, strategy, plans, policies and objectives set by the Board. The CEO prepares matters to be decided at the meetings of Vacon Plc's Board of Directors and is responsible for executing the Board's decisions. The Executive Management Team is chaired by the CEO.

Since 2002, Vesa Laisi has been the company's CEO. Heikki Hiltunen, a member of the Management Team and responsible for the Executive Market Operations, is the deputy to the CEO. The biographical details of the CEO and his deputy as well as their shareholdings in the company are set forth at the end of this statement.

If Vacon Plc terminates the CEO's service contract, the company will pay the CEO

a severance compensation equivalent to 18 months' salary in addition to the salary for the six-month period of notice. The retirement age for the CEO is 60 years. The company has taken out pension insurance for the CEO, on the basis of which the pension to be paid is 60% of the salary that the pension is based on. The pension ends when the CEO turns 65. The salary that the pension is determined on is based on the average monthly salary calculated from the TyEL employee pension earnings basis from the last four years. In accordance with the service contract of the CEO, the company has taken a life insurance for the CEO.

### Executive Management Team

The Board of Directors has appointed the Vacon Executive Management Team which supports the CEO in the preparation of strategic issues, the handling of significant or fundamental operative matters as well as ensuring internal communications.

The Executive Management Team prepares and guides the development of the Group's processes and business operations and the Group's common functions. The Management Team handles, in particular, the company's strategy, budget, major procurements and projects, the Group structure and organization as well as major policies of administration and the HR policy issues. The Executive Management Team consists of the parent company's CEO and senior management in charge of the functions at the Group level. The Executive Management Team is not an administrative body as stipulated by the Finnish Companies' Act. The subsidiaries report to regional sales directors. The regional sales directors and production site

directors report directly to the designated members of the Executive Management Team.

In 2013, the Vacon Executive Management Team consisted of:

- Vesa Laisi, President and CEO
- Heikki Hiltunen, Deputy of the CEO, Executive Vice President, Market Operations
- Tuula Hautamäki, Senior Vice President, Human Resources
- Jukka Kasi, Executive Vice President, Product Operations
- Pia Aaltonen-Forsell, CFO, as of 1 May 2013
- Eriikka Söderström, CFO, until 5 February 2013

The Executive Management Team convened 12 times in 2013. Sebastian Linko, Director, Corporate Communications and Investor Relations, acted as the Secretary to the Executive Management Team. According to the decision by the Board of Directors, new members of the Executive Management Team will not be covered by the additional pension insurance. Thus Pia Aaltonen-Forsell who joined the Executive Management Team in 2013 is not a participant in the additional pension insurance but otherwise the members of the Executive Management Team have an equivalent pension age, additional pension insurance as well as life insurance as the CEO.

In 2012 and 2013, the total remuneration of the CEO and the other members of the Executive Management Team was as follows:

#### 2012

EUR thousand	Regular cash salary	Performance bonus from previous year	Fringe benefits	Share bonus	Total	Number of shares assigned
CEO	352	0	0.5	99	452	1,188
Deputy to the CEO	269	0	0.5	74	344	891
Other members of the Management Team	534	0	1.9	157	693	1,881
Total	1,155	0	2.9	330	1,489	3,960

#### 2013

EUR thousand	Regular cash salary	Performance bonus from previous year	Fringe benefits	Share bonus	Total	Number of shares assigned
CEO	400	103	0.5	361	864	3,378
Deputy to the CEO	274	71	0.5	271	616	2,354
Other members of the Management Team	535	144	1.1	421	1,101	3,249
Total	1,209	318	2.1	1,053	2,581	9,161

#### SALARIES AND OTHER BENEFITS PAID TO THE CEO AND OTHER MANAGEMENT

The principles of the remuneration of the CEO and other members of the Management Team are described in more detail in the Remuneration Statement available on the company's website at [www.vacon.com](http://www.vacon.com) > Investors > Corporate Governance > Remuneration Statement.

The share bonuses paid in 2013 were based on the fulfillment of the criteria of the 2012 share bonus scheme.

The company's Board of Directors will in spring 2014 decide on the amount of the share bonuses to be paid on the basis of the 2013 share bonus scheme.

#### Bonus scheme for other personnel

Vacon Plc's Board of Directors annually approves the principles of the bonus scheme for all personnel in the parent company and the production companies as well as the bonus scheme applied to the Managing Directors of the subsidiaries.



**Panu Routila**

chairman  
born 1964, M.Sc. (Econ.)  
CEO of Ahlström Capital Oy  
Board member since 2010

**Previous positions:**

Managing Director of Alteams Oy, a Kuusankoski Group company, 2002–2007; Director of Outokumpu Copper's Drawn Products division 1995–2002; and management positions of financial administration abroad for a total of seven years. Management positions at Partek 1986–1995.

**Board member at:**

Enics AG (chair),  
ÅR Packaging AB,  
AC Cleantech  
Management Oy (chair),  
Ripasso Energy AB

No Vacon Plc shares



**Mika Vehviläinen**

Vice Chairman  
born 1961, M.Sc. (Econ.)  
CEO, Cargotec Oy  
Board member since 2009

**Previous positions:**

CEO of Finnair Oy, 2010–2013; several management positions with Nokia since 1991 in sales, marketing, strategy, and business development in Asia, North America, and Europe. Chief Operating Officer of Nokia Siemens Networks until the end of 2009.

**Board member at:**

Confederation of Finnish Industries  
Elisa Oy  
East Office of Finnish Industries Oy

No Vacon Plc shares



**Pekka Ahlqvist**

member  
born 1946, M.Sc. (Eng.), MBA  
Member of the Board of Directors since 2004

**Previous positions:**

Vice President, Automation, Wärtsilä Corporation 2006–2007; Vice President, Power Plants, Wärtsilä Corporation 2001–2006; and President of Wärtsilä NSD Finland Oy 1999–2001.

Various management positions at ABB Group in Finland, China, and Thailand 1987–1999. Management positions in Oy Kymi-Strömberg Ab, Instrumentarium Oy, Oy Strömberg Ab and Teollisuussäästö Oy in 1972–1986.

**Board member at:**

Pemamek Oy

No Vacon Plc shares



**Jari Eklund**

member  
born 1963, M.Sc. (Econ.)  
LähiTapiola, Group director, investing, asset liability management and group services  
Board member since 2001

**Previous positions:**

Various positions in the LähiTapiola Group since 1993. Research Manager at Kansallis-Osake-Pankki 1988–1993, Assistant at University of Vaasa 1987–1988.

**Board member at:**

Seligson & Co Oy,  
Ilkka-Yhtymä Oy (member of the Supervisory Board)

No Vacon Plc shares



**Jan Inbarr**

member  
born 1948, B.Sc. (Econ.)  
Soldino Oy, CEO  
Board member since 2002

**Previous positions:**

Worked in various positions at Ahlström companies from 1972 to 2008.

**Board member at:**

Antti Ahlström Perilliset Oy (chair),  
BaseN Oy,  
Enics AG,  
Mervento Oy,  
Webforum Europe Ab

No Vacon Plc shares



**Juha Kytölä**

member  
born 1964, M.Sc. (Eng.)  
Wärtsilä Ship Power, Vice President, Environmental Solutions business line  
Board member since 2010

**Previous positions:**

CEO, Wärtsilä Finland Oy, 2006–2012; management and expert positions at Wärtsilä Group since 1989, e.g. Research and Development Manager for four-stroke engines and development, and management positions in production and environmental business operations.

**Vacon Plc shares:**

400



**Riitta Viitala**

member  
born 1959, PhD. (Econ.)  
Professor, Head of Department of Management, University of Vaasa  
Board member since 2008

**Previous positions:**

Positions at the University of Vaasa since 1999; Training Manager, Chydenius Institute of the University of Jyväskylä 1997–1998; education and development positions at the Central Ostrobothnia and Helia Universities of Applied Science 1989–1996; Personnel Development Manager at the Finnish Postal Service 1983–1989, Administration Manager, Tapio Laakso Oy 1982–1983.

**Board member at:**

Ilkka-Yhtymä Oy,  
I-Mediat Oy,  
Board member at the Vaasa division of the Ostrobothnia Chamber of Commerce

No Vacon Plc shares



**Jaana Klinga**

secretary  
born 1968, Master of Laws (LL.M.)  
Vacon Plc's General Counsel  
Secretary of the Board since 2013

**Previous positions:**

Ahlström Oy, various positions in the legal department 1996–2004 and 2007–2011. Lawyer at Hammarström Puhakka Partners Oy 2005–2006 and an Associate Lawyer at Scandinavian Law Partners and Scandinavian Law Offices firms 1991–1996.

**Vacon Plc shares:**

496



#### Vesa Laisi

President and CEO  
born 1957, M.Sc. [Eng.],  
M.Sc. [Econ.]  
Employed by the company  
since 2002.

#### Previous positions:

Director, Sales and Marketing of Vaisala Corporation 2000–2002; Vice President of ABB Industry Oy 1995–2000; Profit Center Manager at ABB Industry Oy 1993–1995; Director, Sales and Marketing at ABB Industry Oy 1988–1993; Product Engineer at Strömberg UK Ltd. 1986–1988; and Development Engineer at Strömberg Electronics plant 1982–1986

#### Board member at:

The Federation of Finnish Technology Industries, Economic Information Office TAT, The Switch Engineering Oy, VNT Management Oy

**Vacon Plc shares:**  
22,729



#### Heikki Hiltunen

Executive Vice President,  
Market Operations,  
Deputy to the CEO  
born 1962, B.Sc. [Eng.]  
Employed by the company  
since 2002.

#### Previous positions:

Managing Director of Tellabs Oy and Vice President & General Manager for Europe, the Middle East, and Africa [EMEA] of Tellabs International 2000–2002; Sales, marketing and R&D director at Honeywell Industrial Automation in Finland, the USA, and Germany 1992–2000. Various positions in project, R&D and product marketing at Ahlstrom Automation Oy in Finland and Germany 1986–1992

#### Board member at:

Exel Composites Oyj, Hockey-Team Vaasan Sport Oy (chair)

**Vacon Plc shares:**  
12,741



#### Pia Aaltonen-Forsell

CFO  
[as of February 6, 2013]  
born 1974, M. Sc. [Political  
Science]  
Employed by the company  
since 2013

#### Previous positions:

Stora Enso Building and Living business area, Director in charge of finance, IT and acquisitions and member of the management team 2012–2013; other management and specialist positions in the Stora Enso Group since 2000: SVP Group Controller, 2009–2012; Chief Accounting Officer, 2008–2009; VP, Group Reporting, 2006–2008; Business Controller, 2004–2006 and Group/Division Accounting Manager, 2000–2004. Accountant and Chief Accountant, Corenso United Oy Ltd, 1997–2000; Trainee, Accounting and Projects, Corenso United Oy Ltd in Finland and in France, 1995–1996.

**Board member at:**  
Helapala Oy Ab

No Vacon Plc shares



#### Tuula Hautamäki

Vice President, Human  
Resources  
born 1964, M.Sc. [Eng.],  
M.Sc. [Econ.]  
Employed by the company  
since 2000

#### Previous positions:

Vacon Plc's Vice President of Process Development 2000–2009, Process Development Manager at ABB Substation Automation Oy 1996–2000, Quality Manager at ABB Transmit Oy 1994–1996, Product Manager at ABB Power Oy 1991–1994, and Design Engineer at ABB Voimansiirto Oy 1989–1991

**Vacon Plc shares:**  
13,936



#### Jukka Kasi

Executive Vice President,  
Product Operations  
born 1966, M.Sc. [Eng.]  
Employed by the company  
since 1997

#### Previous positions:

Previous positions: Vice President, Corporate Development, Vacon Plc 2009–2011, Vacon Suzhou Drives Co. Ltd. Managing Director 2007–2008, Vacon Plc Vice President, R&D 1999–2003, Vacon Plc Project Manager 1997–1998, Product Development Manager at ABB Transmit Oy 1996–1997, Project Manager at ABB Power 1994–1996, ABB Drives Inc. USA: AC drive designer 1992–1994, ABB Small AC drives: product design 1990–1992

**Vacon Plc shares:**  
58,000



#### Eriikka Söderström

CFO  
born 1968, M.Sc. [Econ.]  
Employed by the company  
since 2009 (until February  
5, 2013)

#### Previous positions:

CFO at Oy Nautor Ab, Corporate Controller at Nokia Siemens Networks, various financial management positions at Nokia Networks

**Board member at:**  
Comptel Oy



#### Sebastian Linko

secretary of Executive  
Management Team  
Director, Corporate Com-  
munications and Investor  
Relations  
born 1974, M. Sc. [Political  
Science]  
Employed by the company  
since 2008

#### Previous positions:

Director, Corporate Communications at Enfo 2002–2008, Communications Consultant at Communications Agency Sanakunta Ltd 2000–2002, Journalist at Newspaper Turun Sanomat 2001 and Communications Trainee at Eurofacts Ltd 2001.

**Vacon Plc shares:**  
818