

## **Proposals of the Board of Directors to the Annual General Meeting 2016**

### **Proposal of the Board of Directors on the use of the profit shown on the balance sheet and the payment of dividend**

The Board of Directors proposes to the General Meeting that a dividend of EUR 0.19 per share shall be paid. The dividends will be paid to shareholders who are entered into Sponda Plc's shareholder register maintained by Euroclear Finland Ltd on the dividend record date 23 March 2016. The Board of Directors proposes that the dividends shall be paid on 1 April 2016.

### **Proposal of the Board of Directors on authorizing the Board of Directors to decide on the payment of dividend**

The Board of Directors proposes to the General Meeting that dividend could be paid in such a way that, in addition to the dividend resolved in the Annual General Meeting, the Annual General Meeting would authorize the Board of Directors to decide, at its discretion, on the payment of dividend in no more than two tranches before the next Annual General Meeting. To make this possible, the Board of Directors proposes that the General Meeting grant the Board of Directors the following authorisation:

The Board of Directors proposes to the General Meeting that the General Meeting authorize the Board of Directors to decide, at its discretion, on the payment of dividend in no more than two tranches based on the annual accounts adopted for the financial year 2015. The maximum amount of dividend to be distributed based on the authorization is EUR 0.12 per share. Based on this authorization, the Board of Directors is entitled to decide on the dividend record date, dividend payment date and other measures required by the matter. When deciding on the possible payment of dividend, the Board of Directors shall assess the company's liquidity and financial position as required by the Companies Act.

The authorization is proposed to be in force until the beginning of the next Annual General Meeting.

### **Proposal of the Board of Directors on amendment of the Articles of Association**

The Board of Directors proposes to the General Meeting that the provision of the Articles of Association regarding the Board of Directors shall be amended to read as follows:

"4 § Board of Directors

The Company has a Board of Directors, which is composed of five to nine (5–9) ordinary members.

The term of office of the members of the Board of Directors shall expire at the end of the first Annual General Meeting following the election."

### **Proposal of the Board of Directors on the remuneration of the auditors**

The Board of Directors proposes to the General Meeting, in accordance with the recommendation of the Board's Audit Committee, that the auditors be remunerated according to the auditors' approved invoices.

### **Proposal of the Board of Directors on the election of the auditors and the deputy auditor**

The Board of Directors proposes to the General Meeting, in accordance with the recommendation of the Board's Audit Committee, that APA Esa Kailiala and audit firm KPMG Oy Ab, which has stated that APA Lasse Holopainen will act as responsible auditor, be appointed as auditors and APA Petri Kettunen be appointed as deputy auditor.

### **Proposal of the Board of Directors on authorizing the Board of Directors to decide on the repurchase of the company's own shares**

The Board of Directors proposes to the General Meeting that the General Meeting authorize the Board to decide on the repurchase of the company's own shares using the funds in the company's unrestricted equity. A maximum of 14,150,000 shares can be repurchased in one or several tranches. The proposed maximum number of the authorization corresponds to approximately 5 per cent of all the current shares of the company.

The shares are to be repurchased in trading at the regulated market in the Helsinki Stock Exchange and such repurchases will therefore be carried out as directed acquisitions, i.e., not in proportion to the holdings of the shareholders. The repurchases of the company's own shares will be carried out through trading organized by Nasdaq Helsinki Ltd, in compliance with its rules and guidelines.

The consideration paid for the shares acquired must be based on the company's share price as it is quoted in trading in the Helsinki Stock Exchange's stock exchange list. The minimum consideration will correspond to the lowest trading price quoted for the share in trading in the Helsinki Stock Exchange's stock exchange list within the validity period of this authorization and the maximum consideration, correspondingly, to the highest trading price quoted for the share in trading in the Helsinki Stock Exchange's stock exchange list within the validity period of this authorization.

The Board of Directors shall decide on other terms relating to the repurchase of the company's own shares.

The authorization is proposed to be in force until the next Annual General Meeting. This authorization replaces the Annual General Meeting's authorization for the repurchase of the company's own shares of 16 March 2015.

### **Proposal of the Board of Directors on authorizing the Board of Directors to decide on a share issue and the issuance of special rights entitling to shares**

The Board of Directors proposes to the General Meeting that the General Meeting authorize the Board to decide on a share issue and on the issuance of special rights entitling to shares in accordance with Chapter 10, section 1 of the Companies Act. A share issue may be carried out by offering new shares or by transfer of treasury shares. Based on this authorization, the Board of Directors is also authorized to decide on a directed share issue in deviation from the shareholders' pre-emptive rights and on the granting of special rights in accordance with the conditions mentioned in the Companies Act.

Based on the authorization, a maximum of 28,300,000 shares can be issued. The proposed maximum amount corresponds to approximately 10 per cent of all the current shares of the company.

The Board of Directors can act on this authorization in one or several tranches. The Board of Directors can use the authorization to finance or carry out corporate acquisitions or other restructurings, to strengthen the company's capital structure, or for other purposes decided by the Board of Directors. The authorization may not, however, be used for the implementation of incentive schemes for the company's management or key personnel.

The Board of Directors is authorized to decide on other conditions relating to the share issues and issuance of special rights.

The authorization is proposed to be in force until the next Annual General Meeting. This authorization replaces the Annual General Meeting's authorization to decide on a share issue and issuance of special rights entitling to shares of 16 March 2015. This authorization does not replace the share issue authorization regarding a rights offering to be possibly decided in the Extraordinary General Meeting to be held on 29 February 2016.

In Helsinki, 4 February 2016

SPONDA PLC  
Board of Directors