

# ADDITION TO REMUNERATION REPORT 2016

This Addition to Citycon's Remuneration Report 2016 discloses performance bonuses paid in March 2017 to the CEO and other members of the Corporate Management Committee for the financial year 1 January–31 December 2016 as well as rewards allocated to the CEO and other members of the Corporate Management Committee on basis of the company's share plans 2015 as per end of February 2017.

## CEO

Performance bonuses paid to the CEO in 2017 and, for comparison, corresponding information from the previous year are listed in the table below.

For the financial year 2016, the CEO's performance target measures and their mutual weights, as determined by the Board, were EPRA EPS (weight 20%), net rental income growth (weight 15%), selling, general & administrative

expenses (S G & A) management (weight 10%), progress of investments, divestments and developments (weight 25%) and discretionary (weight 30%). It had, however, been decided that the Board, at its discretion and based on its overall performance evaluation, could adjust the CEO's performance bonus amount within the maximum bonus sum stipulated in the CEO's service agreement.

On February 2017, the Board evaluated the CEO's achievement of his performance targets for the financial year 2016. Based on the company's good financial and operating performance; non-core property divestments of EUR 122 million, acquisitions of EUR 78 million, development investments of EUR 230 million and new committed development pipeline of EUR 275 million; and successful cost (S G&A) management, the Board awarded the CEO

93% of his performance bonus for the financial year 2016. The CEO's performance bonus was, according to the CEO's service agreement, paid 50% in cash and 50% in company's shares in March 2017. The detailed payout break-down is shown in the table below.

The CEO may be granted a maximum of 219,974 shares on the basis of the performance periods 2015–2017, 2016–2018 and 2017–2019 of the performance share plan 2015, i.e. a total maximum of 659,922 shares.

## MEMBERS OF THE CORPORATE MANAGEMENT COMMITTEE

Performance bonuses paid to the members of the Corporate Management Committee (excluding the CEO) in 2017 and, for comparison, corresponding information from the previous year, are presented in the table below.

The performance bonus amounts paid to the members of the Corporate Management Committee have been based on the Citycon group's and business units' profit and personal performances of the members.

The members of the Corporate Management Committee may be granted a maximum total of 334,678 shares on the basis of the performance period 2015–2017 of the performance share plan 2015; a maximum total of 420,438 shares on the basis of the performance period 2016–2018; and a maximum total of 420,438 shares on the basis of the performance period 2017–2019.

On basis of the restricted share plan 2015, the members of the Corporate Management Committee have been allocated a total of 280,705 shares. The shares are vesting between 08/2017 and 02/2020.

## CEO'S PERFORMANCE BONUSES

	2017	2016
Cash part of performance bonus for the previous financial year (EUR)	231,067	246,000
Share part of performance bonus for the previous financial year (Citycon share)	102,396	113,192

## CORPORATE MANAGEMENT COMMITTEE'S PERFORMANCE BONUSES (EXCL. THE CEO)

	2017*	2016**
Performance bonuses for the previous financial year (EUR)	441,695	447,513

\* In 2016, in addition to the CEO, Citycon's Corporate Management Committee consisted of Eero Sihvonen, Executive Vice President and CFO; Anu Tuomola, General Counsel and Head of Legal Affairs; Jurn Hoeksema, Chief Operating Officer; Nils Styf, Chief Investment Officer (until 31 August 2016); and Marianne Håkonsen, Vice President, Marketing and Branding.

\*\* In 2015, in addition to the CEO, the Corporate Management Committee consisted of Eero Sihvonen, Executive Vice President and CFO; Anu Tuomola, General Counsel and Head of Legal Affairs; Jurn Hoeksema, Chief Operating Officer; Nils Styf, Chief Investment Officer; Harri Holmström, Chief Commercial Officer (until 31 January 2015); Eirik Thrygg, Chief Development Officer (14 July–31 December 2015); and Marianne Håkonsen, Vice President, Marketing and Branding (as of 15 December 2015).