

REMUNERATION REPORT 2016

Citycon's Remuneration Report has been drafted according to the Finnish Corporate Governance Code 2015 (www.cgfinland.fi/en) issued by the Finnish Securities Market Association. The Remuneration Report discloses remuneration and other financial benefits paid to the members of the Board of Directors, the CEO, and the other members of the Corporate Management Committee during the financial year 1 January–31 December 2016. For comparison, the Remuneration Report also presents remuneration paid during the financial year preceding the reported financial year.

This Remuneration Report has been published simultaneously with Citycon Oyj's Financial Statements, the Report by the Board of Directors and the Corporate Governance Statement for 2016.



The Corporate Governance Code is available on the Securities Market Association's website at www.cgfinland.fi.

EUR	2016		2015	
	Annual fees	Meeting fees	Annual fees	Meeting fees
Ronen Ashkenazi (until 16 March 2016)	-	2,000	75,000	12,800
Arnold de Haan	50,000	12,000	50,000	13,200
Chaim Katzman	165,000	-	165,000	-
Bernd Knobloch	70,000	15,000	70,000	15,600
Kirsi Komi	50,000	13,200	50,000	15,000
Rachel Lavine (as of 19 March 2015)	50,000	12,200	50,000	11,400
Karine Ohana (until 19 March 2015)	-	-	-	2,400
Andrea Orlandi*	-	-	-	-
Claes Ottosson	50,000	11,400	50,000	14,400
Per-Anders Ovin	50,000	13,200	50,000	15,000
Dor J. (Dori) Segal (as of 16 March 2016)	75,000	8,600	-	-
Ariella Zochovitzky	55,000	14,600	55,000	16,800
	615,000	102,200	615,000	116,600
Total		717,200		731,600

* Andrea Orlandi has notified the company that he will not accept any annual or meeting fees payable by the company.



Citycon's Annual Report 2016 consists of four different parts. To read all the reports, please visit www.citycon.com/annual-reports

BOARD OF DIRECTORS

The annual and meeting fees paid to the Board members for Board and Committee work in 2016 and, for comparison, corresponding information from the previous financial year.

The Board members do not have an employment or service contract with the company. Furthermore, they do not have share-based remuneration schemes, nor are they included in the company's other incentive schemes.

CEO

Marcel Kokkeel (LL.M, born 1958) has been Citycon's CEO since 2011.

Financial benefits paid to the CEO in 2016 and, for comparison, corresponding information from the previous year are listed in the table below.

The Board will evaluate the achievement of the CEO's performance targets and decide on

the CEO's performance bonus amount payable for the financial year 2016 during the first quarter of 2017. The CEO's performance target measures and their mutual weights for 2016, as determined by the Board, are EPRA EPS (weight 20%), net rental income growth (weight 15%), fair value development of the like-for-like properties (weight 10%), selling, general & administrative expenses (S G & A) management (weight 10%), progress of investments, divestments and developments (weight 25%) and discretionary (weight 30%). The Board may, however, at its discretion and based on its overall performance evaluation, adjust the CEO's performance bonus amount within the maximum bonus sum stipulated in the CEO's service agreement.

Related to the company's stock option plan 2011, the CEO has 1,000,000 stock options 2011A-D(I), 250,000 stock options in each sub-category. A share ownership obligation,

CEO's benefits		2016	2015
Annual salary	EUR	621,150.00	621,150.00
Fringe benefits	EUR	36,236.28	37,357.20
Cash bonus related to CEO's performance bonus for the previous financial year	EUR	246,000.00	200,000.00
Share bonus related to CEO's performance bonus for the previous financial year	Citycon share	113,192	62,630

Benefits of the members of the Corporate Management Committee (excluding the CEO), EUR	2016	2015*
Annual salaries and severance compensation	1,031,776.88	1,206,097.27
Fringe benefits	130,450.44	93,015.57
Performance bonuses for the previous financial year	449,156.64	438,652.85

* 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).

under which the CEO is obliged to acquire the company's shares with 25% of the gross stock option income gained from the exercised stock options, is incorporated into the stock options granted to the CEO. The acquisition obligation will expire once the CEO owns the company's shares worth his 12 months' gross salary. Such shares must be held as long as the service contract is in force.

The CEO may be granted a maximum of 219,974 shares on the basis of the performance periods 2015–2017 and 2016–2018 of the performance share plan 2015, i.e. a total maximum of 439,948 shares.

The CEO does not have any individual pension arrangements.

MEMBERS OF THE CORPORATE MANAGEMENT COMMITTEE

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.

Financial benefits paid to the members of the Corporate Management Committee in 2016 and, for comparison, corresponding information from the previous year, are presented in the table above.

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

In relation to the company's stock option plan 2011, the members of the Corporate Management Committee have the above presented stock options.

A share ownership obligation, under which the members of the Corporate Management Committee are obliged to acquire the company's shares with 25% of the gross stock option income gained from the exercised stock options, is incorporated into the stock options granted to the members. The acquisition obligation will expire once the member owns the company's shares worth 12 months of his or her gross salary. Such shares must be held as long as the employment contract is in force.

The members of the Corporate Management Committee may be granted a maximum total of

Stock option plan 2011	2011A (I–III)	2011B (I–III)	2011C (I–III)	2011D (I–III)
Members of the Corporate Management Committee (excluding the CEO)	262,500	262,500	262,500	262,500

334,678 shares on the basis of the performance period 2015–2017 of the performance share plan 2015 and a maximum total of 420,438 shares on the basis of the performance period 2016–2018.

On basis of the restricted share plan 2015, the members of the Corporate Management Committee have been allocated a total of 55,705 shares. The shares are vesting on 08/2017 or at the end of year 2017.

Members of the Corporate Management Committee do not have any individual pension arrangements.

SUBSCRIPTION ON THE BASIS OF THE STOCK OPTION PLAN 2011

The stock options issued under the stock option plan 2011 have not been exercised for share subscription (31 January 2017).