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## CORPORATE GOVERNANCE STATEMENT 2013

### INTRODUCTION

This presentation is the corporate governance statement referred to in recommendation 54 of the Finnish Corporate Governance Code. It is issued separately from the Board of Directors' report for the 2013 financial period. The Board of Directors (Board) has reviewed the statement at its meeting on 23 January 2014. Raisio's audit firm, PricewaterhouseCoopers Oy, has checked that the statement has been issued and that the description of internal control and risk management systems related to the financial reporting process is consistent with the financial statements.

Raisio complies with the Finnish Corporate Governance Code (2010) approved by the Securities Market Association. The Code is available on Securities Market Association's website at [www.cgfinland.fi](http://www.cgfinland.fi). Raisio plc is a contributing member of the Securities Market Association.

The Board of Directors has not set up an audit committee as defined in the Corporate Governance Code (recommendation 24), since the entire Board is well able to discuss financial reporting and control, taking into account the size of the Group's business and the fact that the auditors report on their activities and observations to the Board at least twice a year. The Board has not set up a nominating committee (recommendation 28) because the nomination group, appointed by the Supervisory Board among its members, prepares the appointment of members to the Board.

In view of the Board's size, two members are considered to be sufficient for the remuneration committee (recommendations 22 and 31).

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## ANNUAL GENERAL MEETING (AGM)

The Annual General Meeting (AGM) is the Company's highest decision-making body. It meets annually by the end of April to decide on the matters within its responsibilities, such as the adoption of the financial statements and consolidated financial statements, dividend distribution, discharge from liability, election of Board and Supervisory Board members and auditors, and the fees payable to them. Extraordinary General Meetings can be held if necessary.

The notice of the AGM shall be published, at the earliest three months and at the latest, three weeks before the AGM on the Company's website and possibly in another manner determined by the Board. However, the notice of the AGM must be published no later than nine (9) days before the record date of the AGM.

The AGM 2013 was held in Turku on 27 March 2013, and a total of 2,743 shareholders were personally present or represented by a proxy, representing 36.2 million shares or 21.9 per cent of the total share capital. Chairman and all members of the Board as well as CEO attended the AGM.

## BOARD OF DIRECTORS (BOARD)

The Board consists of a minimum of five and a maximum of eight members elected by the AGM. Their term begins at the end of the AGM at which the election takes place and lasts until the end of the following AGM. Person who has turned 68 before the beginning of the term cannot be elected as a Board member. The Board elects a Chairman and Deputy Chairman among its members for one term at a time.

The Board is responsible for the Company's administration and the proper organization of its operations. The Board controls and supervises the company's operative management, approves strategic objectives and risk management principles and ensures that the management systems are fully functional.

The Board works and makes its decisions at its meetings, which are quorate when more than half of the Board members are present. If necessary, the meeting can also be held by teleconferencing. The Chairman calls a Board meeting when necessary, or if requested by a Board member or the CEO. The Chairman decides on the agenda of each meeting based on the proposals made by the CEO or Board members. The agenda and any possible advance material related to the matters to be dealt with shall be delivered to the Board members, at the latest, four business days prior to the meeting, unless otherwise required by the nature of the issue. CEO, a Group Management Team member or an expert presents the issues the Board is to decide on.

The secretary of the Board prepares minutes on the matters that the meeting dealt with and made decisions on. The minutes are then approved and signed at the following meeting by all the members who were present.

In accordance with the main points of the charter adopted by the Board of Raisio plc, the main duties of the Board are to:

- approve Raisio's strategy and revise it regularly,
- approve annual budgets and supervise their implementation,
- decide on major investments and divestments,
- process and approve financial statements and interim reports,

- appoint and discharge the CEO and, following the CEO's proposal, appoint and discharge his/her immediate subordinates, as well as approve the CEO's employment contract and other benefits,
- decide on incentive and reward systems for the management and personnel and submit proposals concerning them to the AGM if necessary,
- annually review key operational risks and their management,
- ensure the functionality of the Group's planning, information and monitoring systems,
- approve the Group's key principles, ethical values and practices.

Until the AGM held on 27 March 2013, the Board had six members in 2013. After this date, the Board had five members. Since the death of Anssi Aapola in July 2013, the Board has worked with four members. In 2013, all the Board members were independent of the company and its major shareholders.

In 2013, the Board met 10 times and held 4 telephone conferences as well as an organisation meeting immediately after the AGM. Attendance at the meetings was 97.2%; member-specific information on attendance presented below.

The Board conducted an internal assessment of its operations and working methods in autumn 2013.

### Board members' personal details, meeting attendance and fees paid



*Chairman*

**Matti Perkonoja**

**Born:** 1949

**Place of residence:** Mynämäki, Finland

**Education:** Commercial College graduate

**Key employment history:** HKScan Oyj: CEO 2009–2012, CFO 2000–2009

**Board membership:** Member since 2011 and Chairman since 27 March 2013

**Other simultaneous positions of trust:** Employers' consultative committee of Mutual Employment Pension Insurance Company Varma: Advisory Board Member

**Meeting attendance:** 15/15

**Fees in 2013:** EUR 60,000 of which some 80% paid in cash and some 20% in shares; a total of 3,097 free shares were assigned as fees

**Holdings in Raisio:** series V 6,931



*Deputy Chairman*

**Michael Ramm-Schmidt**

Chairman of the Board, Oy Executive Leasing Ab

**Born:** 1952

**Place of residence:** Espoo, Finland

**Education:** B.Sc. (Econ. & Bus. Adm.)

**Key employment history:** Oy Executive Leasing Ab 2004-; Hackman Oyj Abp 2004: President & CEO; Hackman Metos Oy Ab 1995-2004: CEO, Hackman Designor Oy Ab 1989-1994: CEO, International Masters Publishers Inc. 1986-1989: CEO, Skandinavisk Press AB 1984-1986: CEO

**Board membership:** member since 2005, Deputy Chairman since 2006

**Other simultaneous positions of trust:** Levanto Oy: Member of the Board of Directors, Stala Oy: Member of the Board of Directors, Stalatube Oy: Chairman of the Board of Directors, Stiftelsen Svenska Handelshögskolan: Member of the Supervisory Board, MenuMAT Oy: Chairman of the Board of Directors

**Meeting attendance:** 14/15

**Fees in 2013:** EUR 24,000 of which some 80% paid in cash and some 20% in shares; a total of 1,239 free shares were assigned as fees

**Holdings in Raisio:** series V 53,651


**Erkki Haavisto**

Farmer

**Born:** 1968

**Place of residence:** Raisio, Finland

**Education:** M.Sc. (Agr. & Forestry)

**Key employment history:** Farm owner 1993-

**Board membership:** Member since 2004

**Other simultaneous positions of trust:** The Central Union of Agricultural Producers and Forest Owners (MTK): Member of the Forest Board; Lounametsä Forestry Association: Chairman of the Board of Directors; Raisio plc Research Foundation: Member of the Board of Directors; Raisio Town: Member of the town council (until 14 January 2013); Salaojituksen Tukisäätiö s.r.: Member of the Board of Directors; Turun Seudun Osuuspankki: Member of the Board of Directors

**Meeting attendance:** 14/15

**Fees in 2013:** EUR 24,000 of which some 80% paid in cash and some 20% in shares; a total of 1,239 free shares were assigned as fees

**Holdings in Raisio:** series K 364,940 and series V 141,200

**Pirkko Rantanen-Kervinen**
**Born:** 1949

**Place of residence:** Vantaa, Finland

**Education:** B.sc. (Econ.)

**Key employment history:** Turkistuottajat Oyj (later: Saga Furs Oyj) 2009-2010: Executive Advisor, 1991-2009: CEO, 1989-1991: Executive Vice President, 1987-1989: Director of Finance

**Board membership:** Member since 2010

**Other simultaneous positions of trust:** Finnvera Oyj: Member of the Board of Directors, LocalTapiola General Mutual Insurance Company: Member of the Supervisory Board, LähiTapiola Uusimaa Mutual Insurance Company: Chairman of the Board of Directors

**Meeting attendance:** 15/15

**Fees in 2013:** EUR 24,000, of which some 80% paid in cash and some 20% in shares, a total of 1,239 free shares were assigned as fees

**Holdings in Raisio:** series V 6,861

Simo Palokangas served as Chairman of the Board of Directors since November 2006 until 27 March 2013. On the basis of the Articles of Association, he was not eligible to be a Board member for the following term. His fee of EUR 60,000 for the term 2012-2013 was paid in full in 2012; of which some 80% in cash and some 20% in shares; a total of 4,566 free shares were assigned as fees. Palokangas attended all three Board meetings during his term in 2013.

Anssi Aapola served as a Board member since November 2006 until his death on 6 July 2013. In 2013, he was paid a fee of EUR 12,000 of which some 80% in cash and some 20% in shares; a total of 699 free shares were assigned to him as a fee. Aapola attended all of the eight Board meetings in the period January – June 2013.

Director of Finance and Treasury Janne Martti, Master of Laws, has served as Secretary of the Board since 2000.

### Board committees and workgroups

The Board has established a Remuneration Committee to enhance the preparation of remuneration and nomination matters pertaining to the Board.

The duties of the Remuneration Committee include the preparation of matters concerning:

- (1) remuneration and other financial benefits of the CEO and deputy managing director (if any),
- (2) the appointment of the CEO, deputy managing director (if any) and other company executives,

as well as the assessment of successor issues, (3) the incentive and remuneration schemes of management, key employees and staff, as well as (4) significant organisational changes.

The Committee has two members, elected by the Board of Directors among its members. In April 2013, Matti Perkonen and Michael Ramm-Schmidt were elected as members.

The Remuneration Committee is convened by the Chairman as often as needed and it may use the company's own experts as well as outside experts to the extent it considers necessary. The Committee's secretary is either the secretary of the Board or the Group's Vice President, Human Resources. In 2013, the Remuneration Committee convened three times, with all of the members present at these meetings.

The purpose of the Grain Workgroup appointed by the Board is to promote the conditions for Raisio's businesses using grain and oil plants as well as to ensure domestic raw material supplies by producing and distributing information about the production and use of these plants to the administrative bodies and stakeholders. The workgroup consists of one member of the Board, Chairman of the Supervisory Board, Raisio plc's CEO, Vice President Raisioagro Division and Vice President Grain Trade operations. The Board has appointed Erkki Haavisto as its representative to the workgroup. The workgroup convened twice during 2013.

## SUPERVISORY BOARD

The Supervisory Board consists of a minimum of 15 and a maximum of 25 members, whose term begins at the AGM at which the election takes place and ends at the end of the third AGM following the election. One-third of the members are replaced every year. The spring 2013 AGM confirmed the number of Supervisory Board members to be 25. In addition to the members elected by the AGM, the Supervisory Board also includes three members whom the personnel groups, formed by Raisio Group's employees in Finland, have elected as their representatives. Person who has turned 65 before the beginning of the term cannot be elected as a member of the Supervisory Board.

The Supervisory Board supervises the corporate administration run by the Board and CEO and gives the AGM a statement on the financial statements and auditor's report. Chairman of the Supervisory Board has the right to be present and to speak at all Raisio plc's Board meetings.

Supervisory Board elects Chairman and Deputy Chairman among its members for one term that begins at the first Supervisory Board meeting following the AGM and ends at the first Supervisory Board meeting held after the following AGM.

Supervisory Board was chaired by Michael Hornborg until 27 March 2013. After this, Deputy Chairman Holger Falck served as the Chairman until 28 May 2013 when the Supervisory Board elected Paavo Myllymäki as its Chairman.

Supervisory Board convened three times in 2013, with an attendance of 92.0%.

**Personal details of Supervisory Board members, meeting attendance and fees paid**

	Supervisory Board			Nominating Committee		Fees in total
	Member since	Present	Fees	Present	Fees	
Paavo Myllymäki, Chairman since 28 May 2013, Mietoinen, born 1958, Executive Manager, Farmer	1998	3 / 3	900	2 / 2	600	15300 *)
Michael Horborg, Chairman until 27 March 2013, Lohja, born 1966, MA (Agriculture & Forestry), Farmer	2008 - 27.3.2013	1 / 1	300	1 / 1	300	900 **)
Holger Falck, Deputy Chairman, Sipoo, born 1957, Agronomist, Farmer	2006	3 / 3	900	2 / 2	600	4400 ***)
Cay Blomberg, Kemiö, born 1947, Agrologist, Farmer	2009	3 / 3	900			900
Risto Ervelä, Sauvo, born 1950, M.Pol.Sc, Farmer	1991	3 / 3	900			900
Vesa Harjunmaa, Huittinen, born 1973, Agrologist, Farmer	2011	3 / 3	900			900
Mikael Holmberg, Parainen, born 1961, Agrologist, Farmer	1998 - 2008 2012	2 / 3	600			600
Markku Kiljala Reisjärvi, born 1971, Farmer, Entrepeneur	2012	3 / 3	900			900
Timo Könttä, Masku, born 1968, Commercial College Graduate, Shopkeeper	2011	2 / 3	600			600
Hans Langh, Piikkiö, born 1949, Merenkulkuneuvos (Finnish honorary title), CEO, Farmer	1990	3 / 3	900	2 / 2	600	1500
Pirkko Lönnqvist, Staff Representative, Turku, born 1955, Charterer	2007 - 30.6.2011 2012	3 / 3	0			0
Juha Marttila, Simo, born 1967, D.Sc. (Agr.and For.), Farmer	27.3.2013	2 / 2	600			600

Jarmo Mäntyharju, Oripää, born 1961, Agrologist, Farmer	2009	3 / 3	900	1 / 2	300	1200
Kari Niemistö, Helsinki, born 1962, CEO	2008	3 / 3	900			900
Jyrki Nurmi, Staff Representative, Turku, born 1957, Packer	2008	3 / 3	0			0
Yrjö Ojaniemi, Lapua, born 1959, Executive Manager	2002	3 / 3	900			900
Heikki Pohjala, Harjavalta, born 1959, Agrologist, Farmer	2006	3 / 3	900			900
Juha Salonen, Kaarina, born 1973, CEO	2010	2 / 3	600			600
Jari Sankari, Staff Representative, Piikkiö, born 1957, Technical Manager	2007	3 / 3	0			0
Urban Silén, Perniö, born 1959, Agrologist, Farmer	2003	3 / 3	900			900
Mervi Soupas, Sauvo, born 1968, M.Sc. (Econ.), Farmer	27.3.2013	2 / 2	600			600
Tuula Tallskog, Pertteli, born 1946, BA, Farmer	1998 - 27.3.2013	1 / 1	300			300
Hannu Tarkkonen, Helsinki, born 1950, CEO	2006	2 / 3	600	2 / 2	600	1200
Johan Taube, Tammisaari, born 1950, Agrologist, Farmer	1987	1 / 3	300			300
Arto Vuorela, Pyhtää, born 1960, Farmer	2010	3 / 3	900			900
Rita Wegelius, Hattula, born 1960, Agronomist, Farmer	2006	3 / 3	900			900
Tapio Ylitalo, Turku, born 1955, Farmer	2006	3 / 3	900			900

\*) Annual fee EUR 12,000; in addition, fee of EUR 300 for each Board meeting attended.

\*\*) Fee for chairing the Supervisory Board was paid in full in 2012; in addition, fee of EUR 300 for each Board meeting attended.

\*\*\*) Fee of EUR 2,000 paid for chairing the Supervisory Board in the period of April-May 2013; in addition, fee of EUR 300 for each Board meeting attended.

Remunerations of the Chairman and members of the Supervisory Board have been paid exclusively in cash.

All members of the Supervisory Board are independent of the company's major shareholders. In regard to the issue of independence of the company, three members elected by personnel groups are non-independent of the company, since they are employed by it, while other 22 Supervisory Board members are independent of the company.

### **Nominating Committee of the Supervisory Board**

The Supervisory Board has set up a Nomination Committee to prepare matters concerning the appointment of members of the Board of Directors. The group makes its proposal to the Supervisory Board, which, in turn, can present the AGM with a proposal on members to be elected to the Board. The Committee consists of Chairman of the Supervisory Board Paavo Myllymäki (Michael Hornborg until 27 March 2013) and Deputy Chairman Holger Falck, based on their posts, as well as three Supervisory Board members elected by the Supervisory Board itself: Hans Langh, Jarmo Mäntyharju (28 May 2013) and Hannu Tarkkonen; Paavo Myllymäki was a member until 28 May 2013. The Committee held two meetings during the reporting period.

### **MANAGING DIRECTOR (CEO)**

Raisio plc's CEO runs the company's day-to-day administration in accordance with the Board's guidelines and regulations and in line with the targets set by the Board (general authority), as well as ensures that the company's accounting complies with legislation and that its asset management arrangements are reliable.

Matti Rihko has been Raisio plc's CEO since November 2006. He was born in 1962 and has Master's degree in both Economics and Psychology. He lives in Turku, Finland. His key work experience is as follows: Raisio plc 2006: Vice President, Ingredients Division; Altadis SA, Paris 2004-2006: Regional Director Europe; Altadis Finland Oy 1999-2004: CEO. Rihko's other simultaneous positions of trust: Suomen Terveystalo Oy: member of the Board of Directors; Turku Science Park Oy: member of the Board of Directors; Turku Chamber of Commerce: member of the Board of Directors; University of Turku: member of the Board of Directors; Finnish Medical Foundation: member of the Supervisory Board. Rihko holds 272,530 Raisio plc free shares (31 December 2013) and is within the management's incentive scheme 2010 - 2013, in which the company named Reso Management Oy, owned by him, Raisio plc and five members of the Group Management Team, holds a total of 4,482,740 Raisio plc free shares. CEO Rihko is also within the share-based incentive schemes of the Group's key personnel (the share-based incentive schemes 2013 - 2015 and 2014 - 2016).

The company has not appointed a deputy to the CEO.



## MANAGEMENT TEAM

The Group's Management Team is chaired by Raisio plc's CEO and the members are: Vice President, Consumer brands unit and Business Development; Vice President, Licensed brands unit (from 29 April 2013), Vice President, Raisioagro; Senior Advisor, Benemilk project (from 1 November 2013); CFO; Vice President, Human Resources and Vice President, Legal Affairs, who also serves as a Management Team secretary.

Group's Management Team coordinates the Group's operations and defines Group-level operating objectives, policies and processes. It prepares the Group's strategy, supervises its implementation and assists the CEO in preparing proposals subjected to the Board, which concern the entire Group. Key topics of the Management teams' regular meetings include the profits, forecasts and various reports of the Group and its Divisions. Management Team members who work in Finland hold a short meeting once a week.

## INTERNAL CONTROL AND RISK MANAGEMENT

### **Objectives of internal control**

To ensure profitable operations, Raisio monitors its operations continuously. The purpose of the internal control system is to ensure that the Group operates ethically and in compliance with laws and regulations, that its operations are efficient and profitable and that its financial reporting is reliable. However, internal control cannot guarantee full avoidance of risks.

At Raisio, internal control is understood as a process involving the Board, management and other personnel. Raisio has defined principles, adopted Group-wide, for the areas it considers to be significant. These principles form the foundation for internal control. Internal control is not a separate organisation, but part of the Group's overall operations.

Raisio's internal control is based on the Group's values, which contribute to the achievement of targets laid out in the company's vision and strategy. Raisio's basic targets are profitability, customer satisfaction and well-being. Values supporting these targets include competence, responsibility and open co-operation. Values and basic targets influence the company's day-to-day interaction with customers, suppliers and investors. They also affect various internal policies, manuals and guidelines, as well as established practices.

### **Financial supervision and control**

The internal business control system is the responsibility of the management of the Divisions and business controller in compliance with the Group's principles and guidelines.

The Group is managed according to a system emphasising Group and Division scorecards and related action plans, as well as "an annual clock". In order to achieve efficient and profitable operations, planning and goal-setting are given a key role in the management system. Planning and follow-up are scheduled according to the calendar defined in the annual clock. Monthly management reporting and the operations analysis of actual business results in relation to the budgeted and monthly updated forecasts carried out in connection with reporting, form a key supervision process aimed at securing efficient and appropriate operations.

The Group's financial management is supported by the Group's financial administration and business controller function. The Group's financial administration is in charge of maintaining and developing the financial reporting process and related supervisory systems. This provides business

management at different organisational levels with reliable information about the achievement of the organisation's goals.

### **Reliability of financial reporting**

Raisio does not have a separate audit committee or an internal audit organisation. The Group, however, purchases internal audit services for specified targets from outside the Group. Some of the latest acquisitions and some separately defined targets have been subject to an audit. The Board assesses the level and efficiency of internal auditing and risk management. The Board also bears responsibility for ensuring that internal control over accounting and financial administration has been arranged appropriately.

As a rule, the Group has opted to include internal auditing tasks in the duties of the Group's financial administration and business controller function, which report to the Group's CFO on matters related to risk management, internal control and audit.

Observations of internal control and business risks are reported to the Board as part of monthly financial reporting. Internal audit service purchased from outside the Group reports directly to the Board.

Raisio's financial reporting is based on harmonised principles in all Group companies. International financial reporting standards (IFRS) are used in both internal and external reporting. For financial reporting to be reliable, accounting processes must be properly supervised.

The supervision of financial reporting is based on the reporting principles and guidelines defined by the Group. The interpretation and application of financial reporting standards is centrally handled by the Group's financial administration, which also supervises compliance with standards and guidelines. The Group's financial administration is also in charge of determining and centrally maintaining the reporting, budgeting and forecasting processes. Raisio uses a uniform reporting system, and the same principles are applied throughout the Group.

Raisio has defined the processes of its main business operations, as well as the related control measures supported by the ERP system and other control measures related to the processes. Information systems play an important role in internal control, since many control measures are based on IT. Data transfers related to the financial process have been automated as much as possible, and automation is being further developed. External audits have been used to evaluate the systems and data transfer processes.

### **Other management systems**

#### ***HR Management***

Raisio's internal control systems also involve HR management processes and procedures, which are the responsibility of HR management and part of Raisio's management system. They are developed to support internal control at the employee level. In terms of internal control, the key processes are competence development, including recruiting, work induction, training and on-the-job learning, as well as rewarding, performance appraisals and personnel surveys.

#### ***Quality***

Most of Raisio's operations are certified under ISO 9001 and ISO 14001. To ensure continuous development of product safety and to improve customer satisfaction, food safety standards are also utilised in the Company's food plants. The effectiveness of quality management is of utmost importance to Raisio. Compliance with quality systems is monitored effectively and required in all operations.

***Sustainable development***

Raisio complies with all local, national and international laws and regulations related to its operations. Raisio's operations are ecologically and ethically sustainable. Quality and economic efficiency of operations are supported by working safely and investing in the promotion of safety.

***Risk management***

Risk identification and assessment play a vital role in the success of internal control. In order to control the efficiency and profitability of operations, the Group must be able to manage risks. Raisio's internal control is to provide the management with assurance that the established risk management policy is followed.

Raisio's risk management policy defines the targets, principles and responsibilities of risk management. Risk management is action aiming to identify and assess significant external and internal uncertainty factors that may threaten the strategy implementation and target achievement. Identified risks are eliminated, avoided, reduced or transferred to the extent possible. Raisio's risks fall into strategic, operational, damage and financial risks. Special emphasis is placed on preventive action and its development. Risk management is part of the Group's day-to-day operations and decision-making. Damages caused by products with inadequate safety and related liability risks are key topics in the risk management of food producers.

Risk management function reporting to the CFO coordinates, develops and monitors risk management. External advisors are also used to develop risk management activities. Risk management function is responsible for the Group-wide insurance schemes. Their scope is assessed, for example, in conjunction with risk surveys carried out at company sites.

Each division is responsible for conducting its own practical risk management in compliance with the risk management policy and Group guidelines. Operative responsibility is held by the management of each division and function. The divisions survey and identify risks in connection with annual planning, among other things. The Group is prepared for operations in crises and for crisis communication.

Each division and service function, including financing, reports on its main risks to the Management Team.

Business risks are described in the division reviews of the annual report, while other financial and financing risks are discussed in the financial statements.

**Information and communications**

The guidelines and principles of the Group's reporting system are available to everyone involved in financial reporting and can be found in connection with the Group's reporting system. In addition, the Group's intranet contains instructions related to financial reporting and control measures, as well as other Group policies and guidelines.

**Monitoring**

The result and other key figures of the Group and its divisions are monitored through monthly reporting and at the Management Teams' regular meetings, which also ensures the functioning of internal control. The Management Team also follows the Group divisions' sales development on a weekly basis. Moreover, the divisions monitor the development of their sales and result more frequently, usually on a daily basis. Final assessment of the result is ultimately made by the Board at its meetings.

The Group's financial administration follows the accuracy of both external and internal financial reporting. An external auditor inspects the accuracy of external financial reporting and also monitors internal reporting.

#### INSIDER REGULATIONS

Raisio Group complies with the Guidelines for Insiders (2013) issued by NASDAQ OMX Helsinki Ltd, the Confederation of Finnish Industries and the Central Chamber of Commerce, with some modifications.

The Group's insiders include insiders with the duty to declare ("public insiders") and permanent company-specific insiders, in addition to which the Group may have project-specific insiders from time to time.

Insiders with a duty to declare include the members of the Board of Directors and Supervisory Board, CEO, members of the Group Management Team and auditors. Permanent insiders include people with key responsibility in Raisio's business operations, some managers and experts in research and development and financial administration, as well as management assistants. Raisio had 38 permanent company-specific insiders on 31 December 2013.

Raisio Group's insiders are not allowed to trade in company shares or securities entitling to shares, the value of which is defined based on the securities mentioned above, during the period that begins on the end date of each reported period and that ends on the publication date of the interim report or the financial statement bulletin.

Raisio's insider administration has adopted the SIRE system of Euroclear Finland Ltd, which makes the information about insiders with the duty to declare, their holdings and close associates, as well as any changes therein, public to the extent required by the Securities Market Act. Information that must be published pursuant to the Securities Market Act concerning Raisio's insiders with the duty to declare, as well as the holdings of insiders and their close associates and changes therein, is available on Raisio's website.

#### AUDITING

Mika Kaarisalo and Kalle Laaksonen, authorised public accountants, acted as regular auditors for the financial year 2013. PricewaterhouseCoopers Oy and Vesa Halme, authorised public accountant, acted as deputy auditors.

The auditors provide the Board and CEO with a summary of the corporate audit. In addition, the auditors for the Group companies submit separate reports to the management of each company. The auditors reported on their activities and observations to the Raisio plc's Board at its meetings three times in 2013. The auditors give the shareholders an annual auditors' report on the financial statements as required by law.

Fees for statutory auditing in 2013 amounted to EUR 312,700. In addition, Raisio purchased other services from PricewaterhouseCoopers Oy and its associates for a total of EUR 13,100.