



**PROPOSALS OF THE BOARD OF DIRECTORS AND THE NOMINATION COMMITTEE TO THE
SCANFIL PLC'S ANNUAL GENERAL MEETING**

SIEVI 12 APRIL 2016

SCANFIL

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1. Resolution on the use of the profit shown on the balance sheet and the payment of dividend

The parent company Scanfil plc's distributable funds are EUR **5,075,524.11**. The Board of Directors proposes to the Annual General Meeting that a dividend of EUR **0.08** be paid per share, for a total of EUR **4,618,435.12**. The dividend matching day is 14 April 2016. The dividend will be paid to those shareholders who, on the matching day, are entered in the Company's Register of Shareholders, kept by Euroclear Finland Ltd. The dividend payment day is 21 April 2016.

In Sievi 14 March 2016

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BOARD OF DIRECTORS



2. Resolution on the remuneration of the members of the Board of Directors and the Auditor

Shareholders who hold more than 50% of the shares and votes propose that the remuneration for the members of the Board of Directors is as follows: Chairman of the Board of Directors **EUR 2,200/month**, member of the Board of Directors **EUR 1,700/month**.

The auditor is paid according to a reasonable invoice.

In Sievi 14 March 2016

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BOARD OF DIRECTORS



3. Resolution on the number of members of Board of Directors

The Board of Directors proposes to the Annual General Meeting that the number of members of the Board of Directors shall be **five (5)**.

In Sievi 14 March 2016

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BOARD OF DIRECTORS

4. Election of members of Board of Directors

The Nomination Committee of the Board of Directors, supported by the company's major shareholders holding over 50% of the shares and votes, proposes that the Annual General Meeting will re-elect the following board members:

Harri Takanen (born 1968)

Jarkko Takanen (born 1967)

Christer Härkönen (born 1953)

Bengt Engström (born 1953)

and elect new member:

Christina Lindstedt (born 1968).

The first time nominee to the Board of Directors is presented on Company's website at www.scanfil.com.

Harri Takanen would be still elected as the Chairman of the Board of Directors.

The term of office of the Board Members expires at the close of the first Annual General Meeting following the one at which they were elected. All Board Member nominees have given their consent to the election.

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BOARD OF DIRECTORS

5. Auditor appointment

The KPMG Oy Ab auditing firm will continue as the Company's auditor until further notice. It is proposed that CPA Kirsi Jantunen be appointed as the main auditor.

In Sievi 14 March 2016

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BOARD OF DIRECTORS



6. Authorizing the Board to decide on purchasing the company's own shares

The Board of Directors proposes to the Annual General Meeting that the Board of Directors be authorized to decide on the repurchase of the company's own shares as follows:

The Board of Directors is authorized to decide on the purchase of a maximum of five million (5,000,000) company shares, which accounts for 8.7% of all shares of the company at the time of publication the summons to the Annual General Meeting. Company shares will be purchased with funds from the company's non-restricted equity, in which case the acquisition will decrease the company's distributable non-restricted equity.

Shares will be purchased in a different proportion to that of the holdings of the current shareholders. Purchasing will take place through public trading arranged by NASDAQ Helsinki Oy. The shares will be purchased at the fair value established in public trading at the time of acquisition.

Shares can be purchased to develop the company's capital structure, to be used as remuneration in corporate acquisitions or the funding of other business arrangements, or as part of the company's incentive system, or otherwise to be forwarded, to be retained by the company, or to be annulled. The Board of Directors will decide on other matters related to the acquisition of the company's shares.

The authorization cancels the authorization given in the Annual General Meeting on 8 April 2015 to repurchase the company's own shares. The authorization is valid for 18 months from when it was granted.

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BOARD OF DIRECTORS



7. Authorizing the Board of Directors to decide on share issues and the issue of special rights entitling their holders to shares

The Board proposes to the Annual General Meeting that the Board be authorized to decide on share issues through one or more issues and the issue of other special rights entitling their holders to shares in accordance with Section 1 of Chapter 10 of the Companies Act as follows:

The number of shares to be issued based on the authorization can be no more than 13,000,000 shares, which accounts for 22.5 % of all of the company's shares at the time of publication the summons to the Annual General Meeting).

The Board shall decide on the terms and conditions of share issues and the issue of special rights entitling their holders to shares. The authorization concerns both the issue of new shares and the transfer of treasury shares. Shares and special rights entitling their holders to shares can be issued in deviation from the shareholders' pre-emptive rights (directed issue).

The authorization cancels the authorization given in the Annual General Meeting on 8 April 2015 to decide on share issues and the issue of special rights entitling their holders to share. The authorization shall be valid until 30 June 2017.

The authorization granted to the Board in this section 7. to decide on share issue and the issue of special rights entitling their holders to shares will neither cancel nor replace the authorization possibly granted to the Board under section 8. to decide on issue of option rights and issue of special rights entitling their holders to shares.

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BOARD OF DIRECTORS



8. Authorizing the Board of Directors to decide on the granting of option rights

Scanfil Oyj's (hereinafter "the Company") Board proposes to the Annual General Meeting that Board be authorized to decide on the granting of option rights as defined under Section 1 of Chapter 10 of the Companies Act to the key personnel of Scanfil Group according to the terms attached to the proposal.

Granting the option rights has weighty financial reasons for the Company because option rights are intended to be part of the key personnel's incentive and commitment system. The purpose of option rights is to promote the commitment of key personnel to Scanfil Group and to encourage them to work in the long term to increase the Company's owner value.

The total number of option rights according to the option scheme is 900,000 and they are granted free of charge. Of the option rights, 300,000 are marked as 2016A, 300,000 as 2016B and 300,000 as 2016C. The option rights enable the subscription of a total of 900,000 of the Company's new shares or shares in its possession. The total proportion of the subscribed shares issued on the basis of the option rights is 1.6% of all the Company's shares and of the votes produced by the shares after a possible share subscription, provided that the subscription on the basis of the option rights gives new shares.

The subscription period for option right 2016A is 1 May 2019 – 30 April 2021, for option right 2016B 1 May 2020 – 30 April 2022, and for option right 2016C 1 May 2021 – 30 April 2023.

The share subscription price for 2016A is the Company's trading volume weighted by the Company's average share price on the NASDAQ Helsinki 1 March 2016 – 31 March 2016, for option right 2016B the trading volume weighted by the Company's average share price on the NASDAQ Helsinki 1 March 2017 – 31 March 2017, and for 2016C the trading volume weighted by the Company's average share price on the NASDAQ Helsinki 1 March 2018 – 31 March 2018. The share subscription price is entered in the Company's reserve for invested non-restricted equity.

The Board annually decides on the granting of option rights. Commencement of the subscription period for option right shares requires that the Group's production and financial goals, specified by the Board for the use of option rights, are met. Option rights for which the goals have not been met, or which are not used, expire. The Board will make a separate decision on possible redistribution of such option rights. The Board annually decides the goals separately for each option right lot upon the distribution of option rights. Appendix: Option right terms for 2016.

The authorization granted to the Board in this section 8. to decide on issue of option rights will neither cancel nor replace the authorization possibly granted to the Board under section 7. to decide on share issue, issue of option rights and issue of special rights entitling their holders to shares.

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BOARD OF DIRECTORS