Corporate Governance Statement and Remuneration Statement 2017

COMPONENTA

Componenta Corporation Corporate Governance Statement 2017 and Remuneration Statement 2017

The parent company of Componenta Group is Componenta Corporation (“Componenta” or the “Company”), a public company registered in Finland whose shares are listed on the Helsinki Stock Exchange. The parent company and its subsidiaries form Componenta Group. Componenta's head office is located in Vantaa.

The administration and management of Componenta are based on European Union's and Finnish legislation, the parent company Componenta Corporation's Articles of Association, the guidelines and rules of the Finnish Financial Supervisory Authority and the rules of Nasdaq Helsinki Ltd. The administration and management are guided by Componenta's values, operating principles, policies as well as a sustainable way of working.

Componenta complies with the Corporate Governance Code for Finnish listed companies, which is available at www.cgfinland.fi.

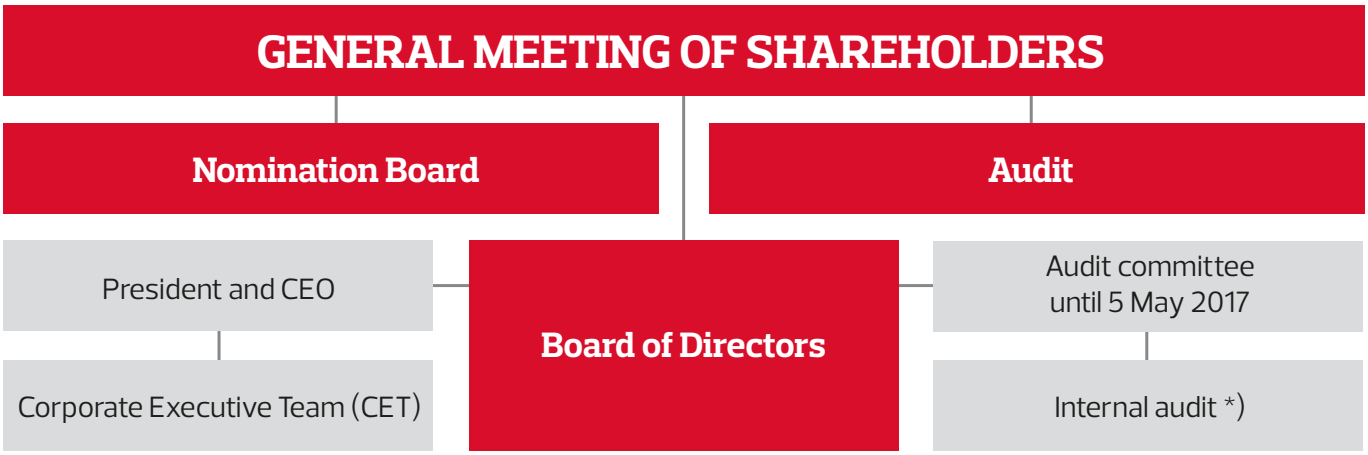
The Componenta Corporate Governance Statement 2017 and the Remuneration Statement 2017 have been prepared in accordance with the Finnish Corporate Governance Code 2015 and are published as separate reports at www.componenta.com. Componenta Corporation's Board of Directors has reviewed this statement at its meeting on 28 March 2018.

GOVERNING BODIES OF COMPONENTA

Supreme authority at Componenta is exercised by the shareholders at the General Meeting of Shareholders.

The company is managed by the Board of Directors and the President and CEO.

Governing bodies



*) Componenta Group's financial administration conducts an internal audit of Group companies in accordance with the annual plan together with the external auditors.

At the Group level, the President and CEO is responsible for operations. The Group's Corporate Executive Team assists and supports the President and CEO in carrying out their duties.

General Meeting

Componenta's supreme decision-making body is the General Meeting. Shareholders exercise their decision by making rights at the General Meeting, where shareholders have the right to speak, ask questions and vote. The Annual General Meeting of Componenta must be held within six months of the end of the financial period.

The General Meeting decides on matters that come under its authority as defined in the Companies Act and the company's Articles of Association. These include approval of the financial statements, deciding on the use of the profit shown in the balance sheet, and election of Board members and auditor.

Every Componenta shareholder is entitled to attend the General Meeting. One share carries one vote at a General Meeting.

A shareholder is entitled to have a matter included in the agenda of the meeting, if the matter falls within the competence of the General Meeting according to the Limited Liability Companies Act and they request the Board in writing in sufficient time for the matter to be included in the notice convening a General Meeting.

In 2017, the Annual General Meeting was held on 5 May 2017 in Helsinki. At the Annual General Meeting, some 40.4% of the company's shares and votes were represented. No Extraordinary General Meetings were held in 2017.

Board of Directors

The Annual General Meeting elects Componenta's Board of Directors every year, which according to the Company's Articles of Association has 3–7 members. The term of office of the Board continues until the close of the following Annual General Meeting. The Board elects from its members a Chairman and Vice Chairman. The Shareholders' Nomination Board prepares the proposals for the Annual General Meeting concerning the composition of the Board of Directors. The Annual General meeting elects all the members of the Board of Directors based on the proposal of the Nomination Board.

The diversity of the future Board is taken into account when proposing and electing Board members, ensuring, for example, that both men and women are represented and that the expertise and experience of Board members correspond to the needs of the company.

The majority of the Board members must be independent of the Company. In addition, at least two of the members belonging to this majority must be independent of major shareholders in the Company. Independence is evaluated in accordance with Recommendation 10 of the Corporate Governance Code for Finnish listed companies.

The Annual General Meeting decides on the remuneration paid to the Board.

The Board of Directors draws up written Rules of Procedure for itself. The main tasks and duties of the Board of Directors are to:

- oversee the management and business operations of Componenta and make major decisions relating to the strategy, capital expenditure, organization, corporate transactions and financing;
- appoint the President and CEO and the members of the Group's Corporate Executive Team, and approve the organizational structure and the principles for incentive schemes;
- ensure that the Company's accounting, supervision of financial management and risk management have been arranged appropriately;
- approve the key operating principles and values, and confirm the annual business plans and budgets; and
- make proposals to the General Meetings and convene the meetings.

The Board meets when it is convened by the Chairman or, in their absence, by the Vice Chairman. The Board forms a quorum when more than half of the members are present, and one of these must be the Chairman or Vice Chairman. Componenta's Legal Counsel serves as secretary to the Board meetings.

The Board of Directors evaluates its own performance annually under the leadership of the Chairman. The Board also reviews the principles of corporate governance annually and amends it when required.

On 5 May 2017, the Annual General Meeting elected the following four members to Componenta's Board of Directors:

- Olli Isotalo, b. 1959, M.Sc. (Eng.), DI, CEO of Patria Group
- Anne Leskelä, b. 1962, M.Sc.(Econ), Vice President, Finance & IR at Nokian Tyres Plc.
- Tommi Salunen, b. 1972, M.Sc. (Econ.), Chairman and Managing Partner at Aava Advisors Ltd
- Petteri Walldén, b. 1948, M.Sc. (Eng), Board professional

At its organizational meeting held after the Annual General Meeting on 5 May 2017, the Board of Directors elected Petteri Walldén as the Chairman of the Board and Tommi Salunen as the Vice Chairman of the Board. Additional information on the members of the Board of Directors, their independence and shareholding in page 12 of this statement.

The Board of Directors met 13 times during 2017. The average attendance rate at Board meetings was 99%.

Attendance of Board members at meetings in 2017

Board Member	Presence at meetings	Presence, %
Petteri Walldén (chair from 5 May)*	8/8	100%
Tommi Salunen (v. chair from 5 May)	13/13	100%
Olli Isotalo	12/13	92%
Anne Leskelä*	8/8	100%
Matti Ruotsala (chair until 5 May)**	5/5	100%
Olavi Huhtala (v. chair until 5 May)**	5/5	100%
Perttu Louhiluoto**	5/5	100%
Riitta Palomäki**	5/5	100%

* Board member from 5 May 2017

** Board member until 5 May 2017

The Board of Directors evaluated its own performance in March 2018 under the leadership of the Chairman.

The Company's Insider Guidelines were updated at the Board meeting held on 8 June 2017 and the Communications and Disclosure Policy at the Board meeting held on 17 August 2017.

Audit Committee 2017

Componenta had an Audit Committee of the Board of Directors until the Board's term lasting until Annual General Meeting held on 5 May 2017.

The tasks and duties of the Audit Committee were to:

- monitor and supervise the reporting process for financial statements and ensure that the reporting process generates correct information, and approve important accounting principles;
- review and oversee the quality and integrity of the annual report, the annual financial statements and the interim reports;
- monitor the financial position of the Company and the sufficiency of financing, and prepare matters and proposals for the Board as needed;
- monitor the effectiveness of the Group's internal control processes, internal audit and risk management systems and related plans and processes;
- review the Company's Corporate Governance Statement;
- review the external audit plan and monitor the statutory audit of the financial statements and consolidated financial statements, and approve the budget of the external audit and new assignments that exceed the limits set by the Audit Committee;
- meet with the external auditor quarterly and review all the essential reports from the external auditor;
- evaluate the independence of the statutory auditor or audit firm, particularly the provision of related services to the companies to be audited;
- prepare the proposal for the election of the auditor; and
- meet with the management of the Company, the CEO, CFO and those responsible for risk management.

The Committee regularly evaluated its performance and working practices and assesses them itself once a year.

The Audit Committee had at least three members. After the Annual General Meeting, the Board of Directors elected from its members a Chairman and

members for the committee, for one year at a time. The relevant qualification requirements were taken into account when electing the Audit Committee members.

The Audit Committee between 1 January 2017 and 5 May 2017 comprised Riitta Palomäki (chairman), Olavi Huhtala and Tommi Salunen. The Audit Committee convened four times during 2017. The attendance rate of the members of the Audit Committee was 100%. Componenta's General Counsel served as secretary to the Audit Committee. Componenta's President and CEO, CFO and the auditors also regularly attended committee meetings.

The Audit Committee evaluated its own performance and working methods in March 2017.

Attendance of Audit Committee members at meetings between 1 January and 5 May 2017

Audit Committee member	Presence at meetings	Presence, %
Riitta Palomäki (chair)	4/4	100%
Olavi Huhtala	4/4	100%
Tommi Salunen	4/4	100%

All the members of the Audit Committee were independent of the company and its major shareholders. At its organizational meeting held after the Annual General Meeting on 5 May 2017, The Board resolved not to establish a separate audit committee and that the entire Board shall attend to the tasks that belong to the audit committee under the Finnish Corporate Governance Code.

Nomination Board

Componenta has a Shareholders' Nomination Board which has the task each year of preparing and presenting the proposals for members of the Board of Directors and their remuneration to be made to the following Annual General Meeting. The Nomination Board is convened annually by asking the three largest shareholders in the Company as of 31 August to appoint one member to the board. In addition to these, the chairman of the Company's Board of Directors serves as an expert member of the board.

The members of the Nomination Board elect one of the members to be chairman of the board. The first meeting of the Nomination Board is convened by the chairman of the Company's Board of Directors and after that the meetings are convened by the chairman of the Nomination Board. The Nomination Board gives its proposal to the Company's Board of Directors no later than the end of the January preceding the Annual General Meeting. The Nomination Board makes sure that the proposal is presented at the Annual General Meeting.

The Nomination Board has written rules of procedure, which state that its main tasks and duties are to:

- prepare and present the proposal to be made to the AGM concerning the number of members on the Board of Directors;
- prepare and present the proposal to be made to the AGM concerning the members of the Board of Directors;
- prepare and present the proposal to be made to the AGM concerning the remuneration of the members of the Board of Directors; and
- look for succession candidates for the members of the Board.

In 2017, the Nomination Board comprised:

Shareholder	Representative
Varma Mutual Pension Insurance Company	Timo Sallinen
Elo Mutual Pension Insurance Company	Hanna Hiidenpalo
The Finnish Cultural Foundation	Jari Sokka

In addition, the Chairman of the Board of Directors, Petteri Walldén acted as an expert member of the Nomination Board. The Nomination Board elected Timo Sallinen as its Chairman.

The Nomination Board met two times under the leadership of Chairman Timo Sallinen and had an attendance rate of 100% at its meetings.

The Nomination Board proposed to the Annual General Meeting to be held in 2018 that four members are elected to the Board of Directors. Three of the proposed Board members are male and one is female.

When preparing its proposal for members of the Board of Directors, the Nomination Board paid attention to the Board diversity policy. According to the diversity policy, the persons proposed for the Board

of Directors shall possess wide-ranging expertise in the business operations of companies with international operations and of developing these. According to the diversity policy, it would be of advantage to the work of the Board if a member of the Board had experience of the company's business sector or of a major customer segment.

When selecting the members of the Board the goal is that they represent both genders and that their know-how and experience of the different areas in business operations (including production, sales, treasury and financial administration) complement each other and cover the key functions at industrial and listed companies. A further goal is to ensure continuity, so that at least some of the people elected to the Board possess experience of the company's business operations over a longer period.

Componenta aims to increase the proportion of women on its Board. To make progress in achieving this goal, the Company specifically looks for members of both genders when evaluating potential candidates for the Board of Directors.

President and CEO

The Board of Directors appoints the President and CEO and decides on the President's remuneration and other benefits.

The President and CEO is responsible for managing and developing Componenta's business in accordance with the Finnish Limited Companies Act and the instructions given by the Board of Directors.

The President and CEO prepares and presents matters for consideration at Board meetings and implements the decisions of the Board of Directors. They report to the Board of Directors, inter alia, on matters including the Company's financial situation, its business environment and other major matters. The President and CEO also prepares and implements the Group's strategy in accordance with the decisions of the Board.

The President and CEO is chairman of Componenta's Corporate Executive Team.

In 2017, Harri Suutari, b. 1959, B.Sc. (Eng.) was President and CEO of Componenta.

Corporate Executive Team

Componenta's Corporate Executive Team assists the President and CEO in managing and developing Componenta. The Board of Directors decides on the appointment of members of the Corporate Executive Team and on the terms of their employment based on the proposal of the President and CEO, in accordance with the "one over one" principle in use at the Group.

The members of Componenta's Corporate Executive Team are those in charge of the Group's major functions and the senior vice presidents in charge of the Group's business areas. The Corporate Executive Team convenes regularly, at least once a month. Its key tasks include promoting the achievement of the Group's business goals and the development of business operations.

Componenta's Corporate Executive Team on 31 December 2017:

- Harri Suutari, President and CEO, b. 1959, B. Sc. (Eng.), since 2015
- Marko Karppinen, CFO, b.1971 M.Sc., since 2016
- Pasi Mäkinen, COO, b.1969, B.Sc. (Eng.), since 2016

In addition, the following persons have been members of the Corporate Executive Team in 2017:

- Pauliina Rannikko, Senior Vice President, Legal and HR, until 17 April 2017
- Seppo Erkkilä, Senior Vice President, Finland Business Area, until 30 June 2017
- Fredric Lindahl, CEO of Componenta Främmestad AB, until 30 June 2017
- Mikael Schill, CEO of Componenta Wirsbo AB and Componenta Arvika AB, until 17 July 2017
- Sabri Özdoğan, Senior Vice President, Turkey, Aluminium Business Area, until 4 August 2017
- Tuula Rainto, Group General Counsel, 2 May–22 September 2017.

Remuneration statement

Remuneration of Board of Directors and Board Committees

The Annual General Meeting decides on the remuneration of the Board of Directors and of Board committees based on the proposal of Shareholders' Nomination Board.

In 2017, the Annual General Meeting decided that the Chairman of the Board of Directors be paid an annual fee of EUR 50,000, ordinary Board members EUR 25,000 and members of committees of the Board EUR 5,000, and that travel expenses be paid in accordance with the company's travel regulations.

The total annual fees paid to members of the Board and of Board committees in 2017 were EUR 125,000. Board members do not participate in Componenta's share-based incentive scheme or pension schemes. The remuneration statement is performance-based.

Remuneration of Board of Directors

Board 2017		Salaries, fees and fringe benefits, €
Petteri Walldén	Chairman	50,000
Olli Isotalo	Member	25,000
Anne Leskelä	Member	25,000
Tommi Salunen	Member, Vice Chairman	25,000
Total		**125,000**

Remuneration of President and CEO and other management

Componenta's Board of Directors decides on the remuneration and other benefits of the President and CEO as well as the deputy to the President and CEO. The Board of Directors decides on the terms of employment of members of the Corporate Executive Team, based on the proposal of the President and CEO, in accordance with the "one over one" principle in use at the Group.

Terms of employment of President and CEO Harri Suutari

Salary and fringe benefits	Total monthly salary EUR 38,000 until 30 April 2017 and from 1 May 2017 EUR 19,000 per month consisting of cash salary and any fringe benefits. The reduction in the total remuneration was based on the CEO's own initiative, which was motivated by the company's financial position and changes in Group structure.
Pension	The retirement age of the President and CEO is 63 years, and he has had a supplementary pension agreement. The agreement has included old age pension after reaching the age of retirement, paid-up pension policy rights if the employment of the insured person is terminated before reaching the age entitling to old age pension as stated in the insurance policy, disability insurance and life insurance. In addition, the President and CEO has had a separate pension capitalisation agreement, under which the pension begins at the age of 63 years and ends at the age of 68 years or when the savings in the capitalisation agreement have been used up. The pension capitalisation agreement was made in 2015. The actual pension is calculated annually by dividing the remaining amount of the savings by the remaining number of months for the pension. The Company's Board of Directors reached agreement with the President and CEO in the autumn of 2016 to stop making the pension payments.
Termination of employment	The President and CEO's contract of employment may be terminated by the company by giving twelve months' notice and by the President and CEO by giving twelve months' notice. The President and CEO is not entitled to any separate compensation after giving notice or being given notice other than the salary and benefits agreed in the terms of notice and the supplementary pension in accordance with the principles of the paid-up pension policy.
Termination of employment	The President and CEO's contract of employment may be terminated by the company by giving twelve months' notice and by the President and CEO by giving twelve months' notice. The President and CEO is not entitled to any separate compensation after giving notice or being given notice other than the salary and benefits agreed in the terms of notice and the supplementary pension in accordance with the principles of the paid-up pension policy.

Remuneration and other benefits of other members of the Corporate Executive Team

The fixed cash salary of the members of the Corporate Executive Team includes compensation for any work on the boards of directors of Componenta Group companies and any associated companies.

The maximum potential bonus, linked to financial targets, that is paid under short-term incentive schemes is 50 per cent of a person's annual earnings.

Members of the Corporate Executive Team are also entitled to a company car as part of their total remuneration.

Remuneration of the President and CEO and other members of the Corporate Executive Team

2017	Salaries, fees and fringe benefits, €	Bonuses, €	Statutory pension benefits €	Voluntary pension benefits, €	Benefits paid on termination of employment, €	Share-based payments, €	Total, €
President and CEO Harri Suutari	310,529	–		–	–	–	310,529
Other members of Corporate Executive Team*	674,988	27,176		–	–	–	702,164
TOTAL	**985,517**	**27,176**		**–**	**–**	**–**	**1,012,693**

* Includes the salaries and fees for current continued operations.

Remuneration schemes

The Board of Directors reviews annually the market competitiveness of total remuneration, the instruments used and their weighting and goals in the remuneration of different target groups.

Short-term incentive scheme

The Board of Directors confirms the conditions and targets of short-term incentive schemes (schemes with a duration of one calendar year) annually for the entire Group. The potential bonuses paid under short-term incentive schemes are based on the achievement of financial targets set for Componenta's business operations. In 2017, the incentive scheme covered all of the Group's personnel.

The performance-based bonus payable under Componenta's short-term incentive scheme is based on the Group's comparable EBITDA. The bonus is conditional on cash flow after investments being positive. If this condition is not satisfied, the bonus is not paid. The maximum bonus corresponds to 1–6 months' salary depending on the employee group.

Long-term share-based incentive scheme

The Board of Directors decides on long-term share-based incentive schemes as part of total remuneration and manages the implementation of the schemes.

The Extraordinary General Meeting of Componenta Corporation held on 15 April 2016 resolved, in accordance with the proposals of the Board of Directors, on the issuance of stock options. The stock options are intended to form part of the incentive and commitment program for key employees, so the Company has a weighty financial reason for issuing the options. The stock options will be issued gratuitously and will entitle their owners to subscribe for a maximum total of 10,000,000 new shares in the Company or existing shares held by the Company. The Board of Directors will resolve on the distribution of stock options and may additionally resolve on particular additional provisions concerning the receipt of stock options. The Board did not issue stock options to company management. The General Meeting resolved to cancel the resolution by the General Meeting made on 15 April 2016 to issue option rights.

RISK MANAGEMENT, INTERNAL CONTROL AND INTERNAL AUDIT

Risk management is part of the company's monitoring system and it aims to ensure that the risks to which the company's business is exposed are identified, evaluated and monitored. It aims to help forecast the threats and opportunities for business operations and ensure the continuity of business.

The objective of internal control and risk management related to Componenta's financial reporting is to ensure that the reporting is reliable and that all applicable laws and regulations have been complied with.

Componenta compiles its financial reporting in accordance with the International Financial Reporting Standards (IFRS), the Finnish Securities Markets Act, the Finnish Accounting Act and the guidelines and statements of the Finnish Accounting Board, while also complying with the rules and regulations of the Finnish Financial Supervisory Authority and Nasdaq Helsinki Ltd rules of exchange.

Risk management

The Board of Directors confirms the principles for risk management and those responsible for this. The Board of Directors monitors the effectiveness of risk management systems. The President and CEO supervises the implementation of the risk management program to ensure that it focuses on matters that are essential for local and operational activities. The Corporate Executive Team participates in identifying and evaluating risks, allocating responsibilities and monitoring the risks.

The CFO is responsible for development of Componenta's risk management.

Management of business operations is responsible for identifying and managing risks in their own business areas as part of their operational activities.

All employees are responsible for identifying and evaluating the risks that are related to their work or that are otherwise under their control and for reporting on them to their supervisors.

The financial risks relating to Componenta Group's business operations are managed in accordance with the Treasury Policy approved by the Board of Directors. The Group's treasury department manages financial risks and ensures for their own part the availability of equity and debt finance to the Group on competitive terms. The Group's treasury department is also responsible for managing and hedging the cash position.

The Corporate Executive Team conducts the Enterprise Risk Management (ERM) process annually and monitors the major risks to operations regularly. The main risks are identified and evaluated in the ERM process and corrective action is decided on.

The main risks for Componenta relating to the business environment and business operations and the finance risks are presented in the financial statements and on the Company's website.

In 2017, the Corporate Executive Team conducted the annual Enterprise Risk Management (ERM) process, in which the risks were identified and assessed, and the required actions were decided.

Control environment

The purpose of Componenta's internal control is to ensure that the Group operates in line with its strategy profitably and effectively, that risk management is arranged appropriately and adequately and that the financial and operational reporting is reliable. Control is based on Componenta's values, operating principles, policies and guidelines (the Componenta Way to Operate, the Disclosure Policy and the Code of Conduct). Internal control is part of management, governance and daily operations.

Financial reporting and supervision are based on budgets drafted and confirmed once a year and on monthly performance reporting. The CFO is responsible for the financial reporting process and for ensuring that the related instructions are consistent and updated regularly. Controllers and management at the unit and division level are responsible for ensuring that reporting is carried out in accordance with instructions.

Open and adequate communications ensure an effective and functional control environment. Information on reporting tools as well as instructions and principles relating to financial reporting have been provided for all the parties involved in financial reporting, and they are also available on the Group's intranet. Matters such as upcoming changes to IFRS and accounting principles or new reporting requirements are communicated to the financial organization on a regular basis. The Group's CFO reports to the Board of Directors regularly on matters pertaining to internal control.

The Board of Directors supervises the Group's financial reporting process and monitors the effectiveness of internal control, internal audit and risk management systems.

Internal monitoring

The profitability and efficiency of Componenta's operations and the achievement of financial objectives are monitored regularly by means of Group-wide financial reporting. The effectiveness of measures in internal control related to financial reporting is monitored by the Board of Directors, the President and CEO, the Corporate Executive Team and operative management teams.

Common, group-wide ways of operating also cover reporting, and the related instructions are included in the Controller's Manual maintained by Group Accounting. The CFO has defined the control measures that cover the reporting process and allocated responsibilities for their implementation.

All operational business units have their own controllers who are responsible for financial reporting in cooperation with the management of the respective unit. The management team for each business unit and business area analyses its own financial reports, including volumes, profits, costs, profitability and working capital, every month before the reporting meeting of the Corporate Executive Team.

The Board of Directors is responsible for the final evaluation of the Group's result.

Internal audit

Componenta Group's internal audit is conducted in accordance with the operating principles approved by the Board of Directors, which are based on the Group's internal reporting and the annual audit plan approved by the Board.

Componenta Group's financial administration conducts an internal audit of Group companies in accordance with the annual plan together with the external auditors.

Financial reporting that covers the whole Group regularly monitors how well financial targets are being met. The reports include actual figures, budgets and up-to-date estimates for the current year.

Insider management

Componenta's Insider Guidelines are available on the company's internet and intranet pages. Componenta complies with the Guidelines for Insiders published by Nasdaq Helsinki in the form valid at any given time, complemented with the specific guidelines applicable to Componenta Corporation, confirmed by Componenta's Board of Directors. The company's specific guidelines include provisions for defining which persons discharge managerial responsibilities in the company and for imposing trading restrictions. Componenta also has internal procedures for projects as referred to in the Insider Guidelines.

The company's insider management is responsible for the following tasks:

- internal communications concerning insider issues;
- training for insider issues within the company;
- receiving notifications concerning managerial personnel;
- drawing up and maintaining registers for individual projects; and
- monitoring insider issues (including the whistleblowing system).

Company's Legal Counsel is responsible for insider issues in the company.

Insider management provides advice and training on insider issues as necessary.

Persons with access to inside information concerning Componenta are immediately entered on the list of insiders maintained by the company, and the list is kept up-to-date on a continuous basis. If inside information is disclosed to people outside Componenta Group (such as financial and other advisers), the company may request these parties to maintain the necessary insider list of those who have received this information.

A person with access to inside information may not disclose the inside information to outsiders nor trade or engage in transactions with Componenta's financial instruments or advise others in relation to these activities.

In accordance with the applicable legislation, persons discharging managerial responsibilities in Componenta (the Board of Directors, President and CEO and the Corporate Executive Team) and persons closely associated with them shall notify Componenta and the Financial Supervisory Authority of any trading and other transactions relating to Componenta's shares, debt instruments or related derivatives, or other financial instruments made on their own account within three days of the transaction. Componenta makes public disclosures of the aforementioned trading and transactions in accordance with the applicable legislation.

Persons discharging managerial responsibilities in Componenta (the Board of Directors, President and CEO and the Corporate Executive Team) may not, on their own account or for a third party, directly or indirectly, engage in trading and other transactions related to Componenta's shares, debt instruments or related derivatives, or other financial instruments (closed window). The period in question commences 30 days prior to the release of the financial statement bulletin or interim reports, and ends when the financial statements or interim report is published.

Componenta has also separately defined certain persons who are involved in the preparation of Componenta's financial reports, who are also subject to a corresponding closed window.

AUDIT

The Annual General Meeting appoints the auditor and decides on the remuneration of the auditor.

The company has one auditor that must be a firm of authorised public accountants approved by the Finland Chamber of Commerce. In addition to the duties prescribed in current accounting regulations, the auditor reports regularly to Componenta's Board of Directors.

The responsible auditor may function as auditor for a maximum of seven years in succession.

In 2017, Componenta's auditor was Authorised Public Accountants PricewaterhouseCoopers Oy. The responsible auditor was Samuli Perälä. In accordance with the decision of the Annual General Meeting on 5 May 2017, the fees paid to the auditor are based on invoicing. The fees paid to the auditors of Componenta Group's companies, based on the work performed, totalled EUR 383,000 comprising audit fees of EUR 240,000 and fees for other services EUR 143,000.

COMMUNICATION

Information about Componenta and its governance is published on the Group's website. All releases and reports published by Componenta are available on the Group's website immediately after they have been published.

The full Componenta Corporate Governance document, the separate Corporate Governance Statement and the Remuneration Statement are available at www.componenta.com.

BOARD OF DIRECTORS 31 DECEMBER 2017

Petteri Walldén
Chairman of the Board
b. 1948, M.Sc. (Eng)
Member of the Board since 2017

Primary work experience
Alteams Oy, President and CEO 2007–2010
Onninen Oy, President and CEO 2001–2005
Ensto Oy, President and CEO 1996–2001
Nokia Kaapeli Oy, President and CEO 1990–1996
Sako Oy, President and CEO 1987–1990

Positions of trust
Nokian Renkaat Plc. Chairman of the Board
Savonlinna Opera Festival, Chairman of the Board
Tikkurila Oyj, Vice Chairman of the Board
Efla Oy, Member of the Board

Componenta shares: –

Tommi Salunen
Vice Chairman of the Board
b. 1972, M. Sc.(Econ.)
Board Member since 2013
Vice Chairman since 2017

Primary work experience
Aava Advisors Oy, Chairman and Managing Partner since 2012
Carnegie Investment Bank Ab, Head of investment banking Helsinki at 2010–2012 and director and senior adviser 2008 - 2010
Kaupthing Bank Oyj, CEO 2006–2007
Expert positions at Nordea 1998–2006

Positions of trust
Staffpoint Holding Oy, Member of the Board

Componenta shares: 30,000

Olli Isotalo
Member of the Board
b. 1959, M.Sc. (Eng.)
Member of the Board since 2015

Primary work experience
Patria Group, President and CEO since 2016
Cargotec Corporation, Kalmar, President 2012–2016
Cargotec Corporation, Marine, Executive Vice President 2006–2012
Bromma Conquip AB, President 2003–2006
Velsa Oy, Managing Director 1999–2002
Kalmar Industries AB, Vice President, Technology and Production Development 1997–1999

Componenta shares: –

Anne Leskelä
Member of the Board
b. 1962, M.Sc.(Econ)
Member of the Board since 2017

Primary work experience
Nokian Tyres Plc., Vice President, Finance & IR since 2006
Nokian Tyres Plc., Treasurer 2005–2006
Nokian Tyres Plc., Manager, treasury 1997–2005
Oy Kyro Ab, Financial analyst, group 1995–1997
Suomen Säästöpankki – SSP Oy, rahoituspankki, Manager, domestic money market 1992 – 1994, SSP Tampereen Alue, Dealer 1989–1992

Componenta shares: –

Companies in which Board members have a controlling interest did not own Componenta shares as of 31 December 2017.

CORPORATE EXECUTIVE TEAM 31 DECEMBER 2017

Harri Suutari
b. 1959, B. Sc. (Eng.)
President and CEO since 2015

Primary work experience
Board professional 2012–2015
PKC Group Oyj, President and CEO 2002–2005 and 2008–2012
Ponsse Oyj, President and CEO 1994–2000
Kajaani Automatiikka Oy, President and CEO 1984–1996

Componenta shares: 2,499,000

Marko Karppinen
b. 1971, M.Sc. (Econ.)
CFO since 2016

Primary work experience
Componenta Corporation, Senior Vice President, Development 2016
Componenta Turkey, Vice President, Business Development 2016
PKC Group Plc., Director, Internal Audit 2013 – 2016
PKC Group USA Inc, Senior Vice President, Business Development 2011–2013
Proventia Group Oy, CFO 2007–2011
PKC Group Plc, CFO 2003–2007
Ponsse Plc., CFO and other financial positions 1994–2001

Componenta shares: –

Pasi Mäkinen
b. 1969, B.Sc. (Eng.)
COO since 2017

Primary work experience
Componenta Corporation, Senior Vice President, Turkey, Iron business area 2016–2017
Componenta Orhangazi (Turkey), Business Unit Director 2015–2016
Valmet Technologies Inc., Vice President, Foundry Operations 2013–2015
Metso Foundries Jyväskylä Oy, President 2008–2013
Valmet Oyj/Metso Paper Oy/Metso Foundries Jyväskylä Oy, Production Manager 1999–2008

Componenta shares: 500

Companies in which Corporate Executive Team members have a controlling interest did not own Componenta shares as of 31 December 2017.

COMPONENTA