

Diversity Policy of the Board of Directors of Componenta Corporation

Number of Board Members

The Annual General Meeting elects the Board of Directors of Componenta Corporation 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 a Chairman and Vice Chairman from its members.

Evaluation of Independence

The Board of Directors is responsible for evaluating the independence of its members. 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 also be independent of major shareholders in the Company. Independence is evaluated in accordance with Recommendation 10 of the Finnish Corporate Governance Code for Finnish listed companies.

Board members must give the Board of Directors sufficient information to evaluate their independence and inform the Board about any changes in the information that may affect the evaluation. The Board members must also provide their own assessment of their independence to the Board. Candidates nominated for the Board of Directors must, on a confidential basis and as instructed by the company, give the Nomination Board sufficient information to evaluate their independence. The candidates must also provide their own assessment of their independence to the Nomination Board. The Board of Directors will ultimately evaluate the independence of its members and announce which members are independent of the company and which members are independent of the shareholders. The Board of Directors conducts the evaluation annually, and the evaluation is issued as part of the company's corporate governance statement. If necessary, the evaluation is updated in the middle of the year based on new information regarding the members.

Composition and Diversity of the Board of Directors

Componenta Corporation's Shareholders' Nomination Board will finalise the proposal for the composition and remuneration of the Board of Directors.

When preparing the proposal for the composition of the Board of Directors, the Nomination Board will pay special attention to diversity in accordance with Recommendation 9 of the Finnish Corporate Governance Code for Finnish listed companies. Board diversity is important for achieving Componenta's goals as well as for the profitability of the company.

The persons proposed for the Board of Directors shall possess wide-ranging expertise in the business operations of companies with international operations and the development of these. It would be of great advantage to the work of the Board if a member of the Board would have 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

Componenta Corporation aims to increase the share of women on the Board of Directors. To help achieve this goal, when electing future Board members, we search for representatives of both genders, as appropriate.