

**Componenta Corporation
Corporate Governance Statement
2019**



COMPONENTA

Componenta Corporation

Corporate Governance Statement 2019

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.

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 2019 has been prepared in accordance with the Finnish Corporate

Governance Code 2020 and is published as separate report at www.componenta.com.

Componenta Corporation's Board of Directors has reviewed this statement. The statement will not be updated during the financial period but up-to-date information on its sections is available on Componenta's website: www.componenta.com/investors/corporate-governance.

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.

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 his or her duties.

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.

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.

An Extraordinary General Meeting must be held if shareholders representing a minimum of 10% of the shares demand it in writing to process a specific matter.

As a rule, the General Meeting of Shareholders processes matters proposed by the Board of Directors to the General Meeting. A shareholder is entitled to have a matter included in the agenda of the meeting if, according to the Limited Liability Companies Act, it falls within the competence of the Annual General Meeting, provided that the shareholder requests this from the Board in writing early enough for the matter to be included in the notice of the meeting. In order to have a matter included in the agenda of a General Meeting, the shareholder must submit a request with justifications or decision proposals in writing to Componenta Corporation, Teknobulevardi 7, FI-01530 Vantaa, Finland. The company will publish the date by which shareholders must submit their requests on its website by the end of the financial year preceding the General Meeting of Shareholders.

In 2019, the Annual General Meeting was held on 16 May 2019. At the Annual General Meeting, some 14.2% of the company's shares and votes were represented. The minutes of the Annual General Meeting is available on the company website: www.componenta.com/investors/

corporate-governance/general-meeting. In addition, an Extraordinary General Meeting was held on 1 July 2019, where 19.4% of the company's shares and votes were represented.

Board of Directors

Composition

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 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.

Operations of the Board of Directors

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,
- make proposals to the General Meetings and convene the meetings,
- to inspect and monitor the quality and correctness of annual reports, financial statements releases, half-year reports and business reviews,
- to monitor the financial position of the company and the sufficiency of its financing,
- to inspect the external audit plan, to approve the budget for the external audit and new assignments exceeding the separately set limits, and
- to monitor and assess transactions of related parties.

The Board is responsible for the duties of Audit Committee. As part of these duties, the Board

- monitors and assesses the financial reporting system,
- monitors the effectiveness of internal control, internal audit and risk management systems,
- assesses the independence of the auditor and, particularly, the non-audit services offered by the auditor,
- monitors the company's audit,
- prepares the election of the company's auditor,
- processes the company's statement of corporate governance and statement of non-financial information.

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 General 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.

Board members

On 16 May 2019, the Annual General Meeting elected the following four members to Componenta's Board of Directors: Anne Leskelä, Asko Nevala, Harri Pynnä and Petteri Walldén.

At its organizational meeting held after the Annual General Meeting, the Board of Directors elected Petteri Walldén as the Chairman of the Board and Anne Leskelä as the Vice Chairman of the Board.

The Extraordinary General Meeting held on 1 July 2019 decided to increase the number of members of the Board of Directors from four to five. Harri Suutari was elected as a new member of the Board. The decision of the Extraordinary General Meeting was conditional, to be valid if the acquisition of Komax Oy (now Componenta Manufacturing Oy) would be completed: at the completion of the acquisition, Harri Suutari, who was then the President and CEO of Componenta would take up Board membership, and the CEO of Komax Oy (now Componenta Manufacturing Oy), Marko Penttinen, would become the President and CEO of Componenta.

Harri Suutari took up Board membership on 30 August 2019 when the acquisition of Komax Oy (now Componenta Manufacturing Oy) was completed. Harri Suutari

Componenta's Board of Directors as of 31 December 2019

	Year of birth	Education	Main occupation	Board member since	Shareholding 31 December 2019
Harri Suutari, Chairman	1959	Bachelor of Engineering	Board professional	2019 (2012-2015)	2,499,000
Anne Leskelä	1962	M.Sc. (Econ.)	Board professional	2017	-
Asko Nevala	1958	M.Sc. (Tech.)	CEO, Alteams Group	2018	-
Harri Pynnä	1956	LL.M.	Master of Laws, Trained on the bench	2019	-
Petteri Walldén	1948	M.Sc. (Tech.)	Master of Science in Technology	2017	-

Additional information on the members of the Board of Directors, their independence and shareholding in page 12.

was elected Chairman of the Board in the Board meeting held on 2 September 2019, and Anne Leskelä, Asko Nevala, Harri Pynnä and Petteri Walldén continued as members of the Board of Directors.

Out of the members of the Board, Anne Leskelä, Asko Nevala, Harri Pynnä and Petteri Walldén are independent of the company and of the significant shareholders of the company. Harri Suutari is independent of major shareholders, but not of the company, as he has been the company's President and CEO from November 2015 to the end of August 2019.

Board meetings

The Board of Directors met 18 times during 2019. The average attendance rate at Board meetings was 100.

Attendance of Board members at meetings in 2019

Board Member	Presence at meetings	Presence, %
Petteri Walldén (Chair until 2 September)	18/18	100%
Harri Suutari (Member as of 30 August, Chair as of 2 September)	7/7	100%
Olli Isotalo (V. chair until 16 May 2019)	6/6	100%
Anne Leskelä (V. chair as of 16 May 2019)	18/18	100%
Asko Nevala	18/18	100%
Harri Pynnä (Member as of 16 May)	12/12	100%

The Board of Directors evaluated its own performance in February 2020 under the leadership of the Chairman.

The Company's Communications and Disclosure Policy and Insider Guideline were updated at the Board meeting held on 10 February 2020.

Shareholders' 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 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.

Shareholders' Nomination Board in 2019

During 1 January – 31 August 2019, the Nomination Board consisted of (as nominated in 2018) Timo Sallinen representing shareholder Varma Mutual Pension Insurance Company, Hanna Hiidenpalo, representing shareholder Elo Mutual Pension Insurance Company and Jari Sokka representing shareholder The Finnish Cultural Foundation. In addition, the Chairman of the Board of Directors Petteri Walldén acted as an expert member of the Nomination Board. As of 1 September 2019, the members of the Nomination Board were: Harri Suutari representing shareholder Etra Capital Oy and acting as an expert member, Timo Sallinen representing shareholder Varma Mutual Pension Insurance Company, and Hanna Hiidenpalo representing shareholder Elo Mutual Pension Insurance Company. The Board elected Harri Suutari as its Chairman.

The Nomination Board met four times during 2019, and had an attendance rate of 100.

On 14 January 2020, the Nomination Board proposed to the 2020 General Annual Meeting that the number of Board members will be restored to four from five. Three of the proposed members are male and one is female.

Board diversity

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 remuneration and other benefits of the President and CEO. The Board of Directors will ensure that the financial benefits provided to the President and CEO on the basis of the contract of

service are compliant with the company's valid remuneration policy concerning governing bodies.

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 2019, the President and CEO of Componenta until 30 August 2019 was Harri Suutari, Bachelor of Engineering, born in 1959. Marko Penttinen, Bachelor of Engineering, M.Sc.(Econ.), MBA, born in 1967, was appointed Componenta's President and CEO on 30 August 2019.

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 at 31 December 2019

	Position	Year of birth	Education	Member of the CET since	Shareholding 31 December 2019
Marko Penttinen (as of 30 August)	President and CEO	1967	B. Sc (Eng.), M. Sc. (Econ.), MBA	2019	1,761,965
Mervi Immonen	General Counsel	1979	LL.M.	2018	-
Miikka Jämsen (as of 2 September)	Director Sales and Marketing	1975	M. Sc. (Eng.)	2019	1,168,096
Marko Karppinen	CFO	1971	M. Sc. (Econ.)	2016	-
Pasi Mäkinen	Director Material Services	1969	B. Sc. (Eng.)	2015	500
Arto Pitkämö (as of 2 September)	Director Machining Services	1977	B. Sc. (Eng.)	2019	-
Sami Sivuranta (as of 2 September)	Director Business Development	1975	M. Sc. (Eng.)	2019	-

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 the rules of Nasdaq Helsinki Ltd.

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.

In 2019, 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.

Risks and business-related uncertainties

The most significant risks to Componenta's business operations include the risks linked to the operating environment (competitive situation, price risks, commodity risks and environmental risks), business risks (customer, supplier, productivity, production and process risks, labour market disruptions, contractual and product liability risks, personnel and data security risks) as well as financing risks (the risks related to the availability of financing and liquidity as well as currency, interest rate and credit risks). Exchange rate fluctuations are hedged using foreign currency loans and deposits, as well as other natural hedging relationships. Due to the restructuring procedures, the company does not currently achieve the necessary limits for hedging derivative contracts.

Essential for the Group's business operations is the availability of certain commodities, such as recycled steel, pig iron and energy, at competitive prices. The cost risk related to raw materials is primarily managed using price agreements, on the basis of which the product prices are adjusted in line with the changes in the commodity prices. Rising raw material prices may result in more money being tied to working capital than estimated.

Componenta's potential risks related to liquidity and access to working capital may weaken the volume of future trading and reduce the number of orders that will be placed on new products by customers in the future. Volumes may also shrink because of customers lost for commercial reasons.

From the point of view of the continuity of operations, the most significant risks and uncertainties related to the restructuring procedures are as follows:

- Componenta Corporation and Componenta Castings Oy will be able to make the payments in accordance with the restructuring programme. A material risk to the success of the restructuring programmes is the availability of working capital, because the main customers will support Componenta with shorter-than-normal payment terms and because the Group companies undergoing restructuring do not, at the moment, have access to external financing.
- Componenta Castings Oy will be able to partly make up for the volume that has decreased due to the bankruptcy of Componenta Främmestad AB with new orders placed by existing and new customers and succeed with the adaptation measures, particularly at the Pori foundry.
- When analysing cash flow and liquidity forecasts for the companies over the next 12 months, the management has estimated the companies' future sales volumes, net sales, EBITDA margins, capital expenditure and working capital needs.

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 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 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.

A controller is responsible for financial reporting of operational business units in cooperation with the management of each 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 complies with the rules and guidelines of Nasdaq Helsinki Oy, such as its insider guideline, the Market Abuse Regulation ((EU) No 596/2014, "MAR"), provisions of the Securities Markets Act and Criminal Code of Finland, as well as the rules and regulations of the Finnish Financial Supervisory Authority. These are supplemented by the company's own insider guideline, aimed to establish clear operating guidelines and rules on insider management, publication of inside information, maintenance of lists of insiders and transactions by the management and their related parties. The insider guideline has been distributed to all insiders.

At Componenta, insiders include managers subject to notification obligation and project-specific insiders.

In accordance with the applicable legislation, the persons discharging managerial responsibilities in Componenta (the Board of Directors, President and CEO and the Corporate Executive Team) and the persons closely associated with them notify Componenta and the Financial Supervisory Authority of any trading and other transactions related to Componenta's shares or debt instruments or related derivatives or other financial instruments made on their own account no later than within three days of the transaction. Componenta makes public disclosures on the aforementioned trading and transactions in accordance with the applicable legislation.

Componenta complies with the prohibition on trading (the so-called closed window) that starts 30 days

before the release of a financial report or financial statement and ends with the release of the financial report or financial statement. During this time, the persons discharging managerial responsibilities in Componenta (the Board of Directors, President and CEO and the Group's 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 or debt instruments or related derivatives or other financial instruments. This prohibition on trading applies also to any separately appointed persons involved in the preparation of Componenta's financial reports.

Componenta maintains a project-specific insider list of any projects and events which, if realised, are likely to have a significant effect on the value of Componenta's shares, financial instruments or the derivatives related to them, and the publication of which has been postponed in accordance with MAR. Every person with access to inside information related to the project is recorded in the project-specific insider list. If inside information is disclosed to parties outside of Componenta (such as financial or other advisors), the person disclosing the information must ensure that the recipient of the information undertakes to keep the information confidential and complies with the insider regulations in force. Componenta requests parties external to the company to maintain the required list of insiders concerning those who have received the information.

A person named in a project-specific list may not unlawfully disclose the inside information to outsiders or other Componenta employees, trade or engage in transactions with Componenta's financial instruments or advise others in relation to the aforementioned. Moreover, amending and cancelling assignments involving Componenta's financial instruments is prohibited when in possession of inside information.

Componenta Corporation's Board of Directors ratified Componenta's insider guideline on 10 February 2020. The full insider guideline is available on the company's intranet. The General Counsel is responsible for the company's insider affairs.

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 2019, 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 16 May 2019, the fees paid to the auditor are based on invoicing. In 2019, 2018 the fees paid to the auditors of Componenta Group's companies, based on the work performed, totalled approximately EUR 756,000 comprising audit fees of approx. EUR 266,000 and fees for other services approx. EUR 490,000.

PRINCIPLES CONCERNING RELATED PARTIES

When monitoring and reporting related party transactions, Componenta complies with the provisions of the Finnish Limited Liability Companies Act, the Finnish Corporate Governance Code and the requirements of international financial reporting standards. The monitoring and assessment of related parties is the responsibility of Componenta's Board of Directors that has also approved the principles concerning the monitoring and assessment of related parties.

Componenta maintains a list of the persons and entities included in its related parties for the purpose of identifying any related party transactions. All persons and entities included in related parties are obliged to announce or otherwise inform the company of any conflicts of interest on their own initiative.

The Board of Directors of Componenta or its General Meeting, when required, will decide, observing the disqualification provisions, on related party transactions that are not part of the company's normal operations or which are concluded in deviation from ordinary commercial terms and conditions. Componenta may carry out with its related parties transactions which are associated with the company's contracts concluded according to standard terms and conditions, or are associated with contracts offered to customers and personnel within the constraints of normal pricing or which are below the limit in euros set in the approved principles. Componenta's Board of Directors monitors and assesses how the contracts and other legal transactions concluded between the company and its related parties fulfil the criteria of being part of normal operations and having market terms and conditions.

The information on transactions with related parties is obtained quarterly from Componenta's accounts in conjunction with regular financial reporting. The remuneration and fringe benefits or persons included in related parties are monitored separately for financial statements reporting. Componenta reports related party transactions regularly in its financial statements. Furthermore, Componenta publicises related party transactions in compliance with the Securities Markets Act, the Stock Exchange rules and the Market Abuse Regulation.

In 2019, the company did not have any related party transactions deviating from ordinary business operations or ordinary commercial terms and conditions.

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.

Componenta Corporate Governance Statement and a separate Remuneration Statement are available at www.componenta.com.

OTHER MATTERS

Whistleblowing

Componenta has a code of practice for processing reports on any insider training, market manipulation or attempt or suspicion thereof or unlawful or dishonest practice regarding accounting, internal control, audit or other operations of the company by the company's employees and other stakeholders ("whistleblowing notifications"). The company's Board of Directors has designated the General Counsel to receive and process any whistleblowing notifications.

Each Componenta employee is liable to report any breaches or non-compliance with the law, the company's Code of Conduct or other instructions issued by Componenta they observe. Componenta employees may report any breaches of instructions issued by Componenta to their supervisors. Each supervisor at Componenta is liable to advise how to act regarding misdemeanours. The company's General Counsel may also be contacted in such cases.

Any suspected breaches of Componenta's Code of Conduct, legislation and regulations may also be reported via the Whistleblowing channel by e-mail to whistleblow@componenta.com or by mail to Componenta Corporation, Legal Affairs, Teknobulevardi 7, FI-01530 Vantaa, Finland. In addition to Componenta's employees, these channels are available for everyone outside the company to use.

Regardless of the means through which the notification was received, all bona fide claims of any breaches or non-compliance with Componenta's Code of Conduct or other instructions issued by the company will be investigated fairly and thoroughly using appropriate internal and/or external expertise.

Componenta ensures that no employee who reports breaches of legislation, the company's Code of Conduct or other guidelines issued by Componenta will be subjected to any harmful consequences due to reporting them.

BOARD OF DIRECTORS 31 DECEMBER 2019



Harri Suutari

b. 1959, B.Sc. (Eng.)
Chairman, 2012 – 2015 and since 2019
Board Member, 2012 – 2015 and
since 2019

Primary work experience

Componenta Corporation, President and CEO, 2015 – 2019
Board professional, 2012 – 2015
PKC Group Plc, President and CEO, 2002 – 2005 and 2008 – 2012
Ponsse Plc, President and CEO, 1994 – 2000
Kajaani Automatiikka Oy, President and CEO, 1984 – 1996

Positions of trust

Talgraf Oy, Chairman of the Board
Proventia Group Corporation, Chairman of the Board
PunaMusta Media Oyj, Vice Chairman of the Board
HKScan Corporation, Kauppahuone Laakkonen Oy and
Oy M-Filter Ab, Board Member

Componenta shares 2,499,000



Anne Leskelä

b. 1962, M.Sc. (Econ.)
Vice Chairman since 2019
Board Member since 2017

Primary work experience

Nokian Tyres Plc., Vice President, Finance & IR, 2006 – 2018
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

Positions of trust

Kojamo Plc, Board Member and Chairman of the Audit Committee
HKScan Corporation, Tammer Brands Oy and
Image Wear Oy, Board Member

Componenta shares –



Asko Nevala

b. 1958, M.Sc. (Eng.)
Board Member since 2018

Primary work experience

Alteams Group, CEO, since 2010
Alteams Group, COO, 2009 – 2010
Alteams-STC (Suzhou) Electronics Co. Ltd,
Managing Director, 2007 – 2009 and 2004 – 2005
Alteams Group, Manufacturing Director, 2006 – 2007
Alteams Group, Production Director, 2002 – 2004
Laihian Metalli Oy, Managing Director, 1999 – 2001
ABB Distribution Transformers, Production Manager, 1995 – 1999
Assa-Abloy Rakennushelat, Operations Product
Development Manager, 1991 – 1995

Componenta shares –



Harri Pynnä

b. 1956, LL.M.
Board Member since 2019

Primary work experience

Caruna Networks Group, Senior Adviser, 2019 – 2020
Caruna Networks Group, Head of Company Development /
Head of Governance, Compliance and Risks, 2014 – 2020
Fortum Corporation, Group General Counsel, 1998 – 2013
Ministry of Trade and Industry, Industrial Counsellor, 1994 – 1998
Union Bank of Finland, Legal Counsel and
Senior Vice President, 1982 – 1994

Componenta shares –



Petteri Waldén
 b. 1948, M. Sc. (Eng.)
 Board Member since 2017
 Chairman 2017 – 2019

Primary work experience

Alteams Oy, President and CEO, 2007 – 2010
 Onninen Oy, President and CEO, 2001 – 2005
 Ensto Ltd., President and CEO, 1996 – 2001
 Nokia Kaapeli Oy, President and CEO, 1990 – 1996
 Sako Oy, President and CEO, 1987 – 1990

Positions of trust

Nokian Tyres Plc, Chairman of the Board
 Savonlinna Opera Festival, Chairman of the Board
 Tikkurila Oyj, Vice Chairman of the Board
 Efla Oy, Kuusakoski Group Oy ja Staffpoint Holding Oy,
 Board Member

Componenta shares –

Companies in which Board members have a controlling interest did not own Componenta shares as of 31 December 2019.

CORPORATE EXECUTIVE TEAM 31 DECEMBER 2019



Marko Penttinen
 b. 1967, Bachelor of Engineering, M.Sc.
 (Econ.), MBA
 President and CEO from 2019

Primary work experience

Komas Oy, CEO, 2016 – 2019
 Aidon Oy, Business Development Director, 2012 – 2016
 Komas Oy, Sales and Marketing Director, 2011 – 2012
 Komas Sp z.o.o. Poland, CEO, 2011
 Komas Oy, COO, 2007 – 2012
 Komas Oy, CFO, 2006 – 2012
 Samstock Oy, Deputy Managing Director, 2001 – 2006
 Enermet Oy, several managerial positions, 1991 – 2001

Positions of trust

Grano Oy, Board Member

Componenta shares 1,761,965



Mervi Immonen
 b. 1979, LL.M., BBA
 General Counsel since 2018
 Member of Corporate Executive Team
 since 2018

Primary work experience

Componenta Corporation, Legal Counsel, 2017 – 2018
 Resurs Bank AB branch in Finland, Legal Counsel, 2014 – 2017
 Finaref Ltd. / Resurs Bank AB branch in Finland,
 Collection Manager, 2011 – 2014
 RealNetworks, Inc., Finance and Operations Manager, 2010 – 2011
 DNA Plc, Associate Lawyer, 2010
 Ari Niemelä Attorneys at Law Ltd, Associate Lawyer, 2008 – 2010

Componenta shares –



Miikka Jämsen
b. 1975, M.Sc. (Eng.)
Director Sales and Marketing, since 2019

Primary work experience

Komas Oy, Director Sales and Marketing, 2012 – 2019
Komas Group Oy, Sales Director, 2011 – 2012
Komas Group Oy, Business Director, 2010 – 2011
Komas Group Oy, Supply Chain Director, 2009 – 2010
Komas Group Oy, Materials Manager, 2008 – 2009
Komas Group Oy, Business Support Manager, 2007 – 2008
Komas Sp z.o.o. Poland, Business Controller, 2006 – 2007
Komas Oy, Financial Manager, 2004 – 2006
Patria Vammas Oy, Business Controller, 2002 – 2004

Componenta shares 1,168,096



Arto Pitkämä
b. 1977, B.Sc. (Eng.)
Director, Machining Services since 2019

Primary work experience

Komas Oy, Business Director, Machining, 2019
Relicomp Oy, Director, Production, 2016 – 2018
Parma Ltd., Director, Production, 2016
Parma Ltd., Lean Manager, Factory Manager, 2013 – 2015
Viafin West Welding Oy, Project and Production Manager,
2011 – 2013
West Welding Oy, Production Supervisor, 2007 – 2011

Componenta shares –



Marko Karppinen
b. 1971, M.Sc. (Econ.)
CFO since 2016
Member of the Corporate Executive
Team 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 –



Sami Sivuranta
b. 1975, M.Sc. (Eng.)
Director, Business Development since
2019

Primary work experience

HKScan Corporation, Executive Vice President,
Operations, 2018 – 2019
Parma Ltd., Director, Business Development, 2016 – 2017
Componenta Corporation, Senior Vice President, Development, 2016
Componenta BV, Vice President Heerlen Foundry, 2015 – 2016
Componenta Corporation, Vice President,
Internal Sourcing, 2012 – 2014
Componenta Corporation, Sales Director,
Machine Building Nordic, 2010 – 2012
Componenta Corporation, Manager Internal Sourcing, 2009 – 2010
Componenta Karkkila Oy, Production Manager, 2006 – 2009
Componenta Karkkila Oy, Manager Quality and Environment,
2005 – 2006

Componenta shares –



Pasi Mäkinen
b. 1969, B.Sc. (Eng.)
Director, Material Services since 2019
Member of the Corporate Executive
Team since 2015

Primary work experience

Componenta Corporation, COO, 2017 – 2019
Componenta Corporation, Senior Vice President, Turkey,
Iron Business Area, 2016 – 2017
Componenta Orhangazi Foundry (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 2019.



COMPONENTA

Componenta Corporation, Head Office
Address: Teknobulevardi 7, FI-01530 Vantaa, Finland
Phone: +358 10 403 00
Email addresses:
firstname.lastname@componenta.com
www.componenta.com