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CORPORATE GOVERNANCE STATEMENT

1. Corporate Governance Statement

Atria Plc ("Atria" or "the company") is a Finnish public company, and the responsibilities and obligations of its governing bodies are determined by Finnish law. The parent company, Atria Plc, and its subsidiaries constitute the international Atria Group. The company is domiciled in Kuopio.

Responsibility for the administration and operations of Atria Group lies with the governing bodies of the parent, Atria Plc. These are the General Meeting, Supervisory Board, Board of Directors and CEO.

Atria's decision-making and corporate governance are in compliance with the Finnish Limited Liability Companies Act, Securities Markets Act, Auditing Act and Accounting Act, as well as other regulations applied to publicly listed companies, Atria Plc's Articles of Association, the rules of procedure for Atria's Board of Directors and committee. In addition, Atria is obligated by, for example, EU-level regulations, Nasdaq Helsinki Ltd's rules as well as instructions and guidelines of the Finnish Financial Supervisory Authority. In 2019, Atria complied with the Corporate Governance Code published by the Securities Market Association and valid since 1 January 2016, and from 1 January 2020, Atria complies with the Corporate Governance Code valid since 1 January 2020. The Corporate Governance Code is publicly available on the Securities Market Association's website at www.cgfinland.fi. In accordance with the Comply or Explain principle, the company departs from the recommendations of the Code as follows (exceptions are explained in the relevant sections):

- As an exception to recommendation 6 of the Code, the term of each Board member is three years in accordance with Atria's Articles of Association.
- As an exception to recommendation 10 of the Code, only three of the eight Board members are independent of the company.
- As an exception to recommendation 17 of the Code, one of the three members of the Nomination and Remuneration Committee is independent of the company.

Atria Plc has prepared this Corporate Governance Statement in accordance with the Corporate Governance Code valid since 1 January 2020. The Corporate Governance Statement is presented as a separate report from the Report by the Board of Directors and is available on the company's website at www.atria.fi/en/group/investors/corporate-governance.

1.1 Articles of Association

The Articles of Association and the pre-emptive purchase clause can be found in their entirety on the company's website at www.atria.fi/en/group/investors/corporate-governance.

1.2 Shareholder Agreement

Lihakunta and Itikka Co-operative, two of Atria's shareholders, have agreed to ensure that

they are both represented on the Supervisory Board in proportion to their holdings of Series KII shares in the company. The parties will also ensure that all members of the Supervisory Board are nominated by the parties, unless it has been agreed in separate cases that some of the members of the Supervisory Board are elected from persons nominated by other shareholders. It has also been agreed that the Chairman of the Supervisory Board and the Deputy Chairman of the Board of Directors are nominated by one party and the Chairman of the Board of Directors and the Deputy Chairman of the Supervisory Board by the other party.

Regarding the distribution of Board positions, it has been agreed that each of the parties may nominate three ordinary members and their deputy members to the Board of Directors. The agreement also includes stipulations on the mutual proportion of shareholding and on the procedures followed when either party acquires more Series KII shares directly or indirectly. According to the agreement, the acquisition of Series A shares is not considered in the evaluation of the mutual proportion of shareholding.

Furthermore, Lihakunta, Itikka Co-operative and Pohjanmaan Liha Co-operative, which hold shares in Atria, have shareholder agreement where they have agreed to ensure that Pohjanmaan Liha Co-operative has one representative on the Supervisory Board. The agreement also includes stipulations on Pohjanmaan Liha co-operative's shareholding.

The company is not aware of any other shareholder agreements.

Despite the above, as stated in section 3 below, the General Meeting decides on the number of members of the company's Supervisory Board and of the Board of Directors and their election.

2. General Meeting

The General Meeting is Atria Plc's highest decision-making body. At the General Meeting, shareholders decide, among other things, on approval of the financial statements and the use of the profit shown in the balance sheet; discharge from liability to the members of the Board of Directors and the Supervisory Board and the CEO; the number of members on the Supervisory Board and the Board of Directors, election and remuneration of the members as well as election and fees of the auditor.

The Annual General Meeting is held annually by the end of June on a date designated by the Board of Directors, and the agenda includes matters that are to be handled by the Annual General Meeting in accordance with the Limited Liability Companies Act and the Articles of Association and any other proposals stated on the notice of meeting. Extraordinary General Meetings may be convened as needed.

Under the Limited Liability Companies Act, a shareholder has the right to have a matter falling within the competence of the General Meeting dealt with by the General Meeting

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if the shareholder so demands in writing from the Board of Directors well in advance of the meeting, so that the matter can be mentioned in the notice. Where applicable, the shareholder must submit a request to have the matter dealt with by the Annual General Meeting by the date set by the company, which is published on the company's website at www.atria.com. The request, with accompanying justification or proposed resolution, must be sent in writing to Atria Plc, Group Legal Affairs, P.O. Box 900, FI-60060 ATRIA, Finland.

The General Meeting is convened by the Board of Directors. It is held in the company's domicile, Kuopio, or in Helsinki. The notice to convene the General Meeting is communicated by publishing the notice on the Company's website and by a company announcement at the earliest three (3) months and at the latest three (3) weeks before the General Meeting, however, no later than nine (9) days prior to the record date for the General Meeting. In addition, the Board of Directors may decide to publish the notice, or notification of delivering notice, in one or more Finnish national newspapers determined by the Board of Directors, or in any other manner it may decide.

The 2019 Annual General Meeting was held in Helsinki on 26 April 2019. A total of 218 A shareholders representing 9,292,046 shares and votes and 3 KII shareholders representing 9,203,981 shares and 92,039,810 votes attended the meeting either in person or by proxy. The minutes of the meeting and other documents related to the meeting are available on Atria's website at www.atria.fi/en/group/investors/annual-general-meeting.

3. Shareholders' Nomination Board

Atria Plc has a Shareholders' Nomination Board. By its decision of 3 May 2012, the Annual General Meeting established the Nomination Board and approved its written rules of procedure. The rules of procedure were amended by the decision of the Annual General Meeting on 6 May 2014 and again on 27 April 2017. In accordance with the rules of procedure, the Nomination Board prepares proposals to the next Annual General Meeting regarding the remuneration of the members of the Board of Directors and the Supervisory Board as well as the election of the members of the Board of Directors.

Shareholders or their representatives who own Series KII shares are elected for the Nomination Board, as well as the largest holder of Series A shares who does not own Series KII shares, or a representative of such a shareholder. The right to nominate a representative to the Nomination Board is determined on the basis of the shareholder register maintained by Euroclear Finland Ltd in accordance with the situation on the first banking day of the September preceding the Annual General Meeting. The Chairman of the Board of Directors shall also be appointed to the Nomination Board as an expert member.

If a shareholder does not wish to exercise his or her right to nominate a member, the right will be transferred to the next largest Series A shareholder as per the shareholder register

who would not otherwise have the right to nominate a member. Some shareholders are obligated to notify the company of certain changes in shareholding (flagging obligations) when necessary under the Finnish Securities Markets Act. Such shareholders may present a written request to the company's Board of Directors by the end of August for the holdings of corporations or foundations controlled by the shareholder, or the shareholder's holdings in several funds or registers, to be combined when calculating voting rights.

The Nomination Board is convened by the Chairman of the Board of Directors, and the Nomination Board elects a Chairman from amongst its members. The Nomination Board shall present its proposal to the Board of Directors by the first day of the February preceding the Annual General Meeting.

On 3 October 2019, the following members were appointed to the Nomination Board by Atria's KII shareholders and the largest A shareholder: Juho Anttikoski (Itikka Co-operative), Pasi Korhonen (Lihakunta), Ola Sandberg (Pohjanmaan Liha Co-operative) and Timo Sallinen (Varma Mutual Pension Insurance Company). Juho Anttikoski was elected Chairman of the Nomination Board, and Seppo Paavola, Chairman of Atria's Board of Directors, is an expert member of the Nomination Board.

The Nomination Board, which prepared the proposal for the 2020 Annual General Meeting, convened twice. On 23 January 2020, the Nomination Board submitted its proposal to Atria's Board of Directors for the Annual General Meeting to be held on 29 April 2020. The proposals were published as a company announcement on 23 January 2020.

Name	Year of birth	Education	Main occupation	Attendance at meetings	Share ownership on 31 December 2019
Juho Anttikoski	1970		Farmer	2/2	4,000
Pasi Korhonen	1975		Farmer	2/2	
Ola Sandberg	1981	Agrologist	Farmer	2/2	50
Timo Sallinen	1970	MSc (Econ.)	Investment Director (listed investments)	2/2	

4. Supervisory Board

In accordance with Atria Plc's Articles of Association, the company has a Supervisory Board elected by the General Meeting. The Supervisory Board consists of a minimum of 18 and a maximum of 21 members, who are elected for terms of three years. The Supervisory Board elects a Chairman and a Deputy Chairman from amongst its members for terms of one year. The Supervisory Board meets four times a year on average.

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The duties of the Supervisory Board are specified in the Limited Liability Companies Act and Atria's Articles of Association. The duties of the Supervisory Board are as follows:

- Supervising the administration of the company by the Board of Directors and the CEO.
- Providing instructions to the Board of Directors on matters that are of far-reaching consequence or important in principle.
- Submitting its statement on the financial statements and the auditors' report to the Annual General Meeting.

The Board of Directors has estimated that all members of the Supervisory Board are dependent of Atria because they are either full-time farmers who have, or are in the management of, another company that has a significant customer, supplier or partnership relationship with Atria Group for that entrepreneur/company.

All members of the Supervisory Board belong to the Board of Directors or the Supervisory Board of the significant shareholder Itikka Co-operative, the significant shareholder Lihakunta or the Pohjanmaan Liha Co-operative. The Board of Directors has estimated that those members of Atria's Supervisory Board who are simultaneously members of the Board of Directors of Itikka Co-operative or Lihakunta, significant shareholders of the company, are dependent of the significant shareholders. Membership of the Supervisory Board of a significant shareholder alone has not been considered to cause dependence.

The company has a Supervisory Board, because shareholders of the company representing more than 50% of the votes granted by the company's shares have expressed their

On 31 December 2019, the 19 members of Atria Plc's Supervisory Board are the following:

Name	Born	Member from	Education	Main occupation	Attendance at meetings	Share ownership on 31 December 2019	Independence of the company and significant shareholder
Jukka Kaikkonen (Chairman)	1963	2013	Agrologist	Farmer	4/4	500	Dependent of the company and significant shareholder (Lihakunta)
Juho Anttikoski	1970	2009		Farmer	4/4	4,000	Dependent of the company
Mika Asunmaa	1970	2005		Farmer	4/4	11,000	Dependent of the company and significant shareholder (Itikka Co-operative)
Lassi-Antti Haarala	1966	2006	Agrologist	Farmer	4/4	6,000	Dependent of the company and significant shareholder (Itikka Co-operative)
Jyrki Halonen	1961	from 26 April 2019	Farm Engineer	Farmer	3/3	660	Dependent of the company
Jussi Hantula	1955	2012	Agrologist	Farmer	4/4	791	Dependent of the company
Veli Hyttinen	1973	2010	Agrologist	Farmer	4/4	1,500	Dependent of the company and significant shareholder (Lihakunta)
Pasi Ingalsuo	1966	2004	Agrologist	Farmer	4/4	4,000	Dependent of the company and significant shareholder (Itikka Co-operative)
Jussi Joki-Erkkilä	1977	2016		Agricultural entrepreneur	4/4	0	Dependent of the company
Marja-Liisa Juuse	1963	2015		Farmer	4/4	250	Dependent of the company
Juha Kiviniemi	1972	2010	MSc (Agr.)	Farmer	4/4	300	Dependent of the company and significant shareholder (Itikka Co-operative)
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Ari Lajunen	1975	2013	MSc (Agr.)	Farmer	4/4	0	Dependent of the company and significant shareholder (Lihakunta)
Juha Nikkola	1976	2018	MSc (Agr.)	Farmer	4/4	100	Dependent of the company and significant shareholder (Itikka Co-operative)
Mika Niku	1970	2009		Farmer	4/4	300	Dependent of the company and significant shareholder (Lihakunta)
Pekka Ojala	1964	2013	Agrologist	Farmer	4/4	100	Dependent of the company
Heikki Panula	1955	2005	MSc (Agr.)	Farmer	4/4	500	Dependent of the company
Risto Sairanen	1960	2013		Farmer	4/4	0	Dependent of the company and significant shareholder (Lihakunta)
Ola Sandberg	1981	2018	Agrologist	Farmer	4/4	50	Dependent of the company
Timo Tuhkasaari	1965	2002		Farmer	4/4	600	Dependent of the company

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satisfaction with the current model based on the Supervisory Board, because it brings a far-reaching perspective on the company's operations and decision-making. The company believes that understanding its business requires a deep familiarity with and commitment to meat operations from its Supervisory Board members.

In 2019, Atria Plc's Supervisory Board met four (4) times, and the average attendance of the members was 100%.

5. Board of Directors

In accordance with the Articles of Association, Atria's Board of Directors has a minimum of 5 and a maximum of 9 members. The term of office of a member of Atria's Board of Directors differs from the term of one year specified in recommendation 6 of the Corporate Governance Code. Per the Articles of Association, the term of a member of the Board of Directors is three (3) years. Shareholders representing more than 50% of the votes have stated that the term of three (3) years is appropriate for the long-term development of the company and have not seen the need to shorten the term from that specified in the Articles of Association. As an exception to recommendation 10 of the Corporate Governance Code, three of the eight Board members are independent of the company. The company believes that understanding its business requires a deep familiarity with and commitment to meat operations from the majority of its Board members.

The Chairman and Deputy Chairman of the Board of Directors are appointed in accordance with the shareholder agreement of the shareholders of the company, Lihakunta and Itikka Co-operative.

5.1 Duties of the Board of Directors

Atria's Board of Directors is responsible for the company's administration and the appropriate organisation of its operations. The Board of Directors ensures that the control of the company's accounting and asset management has been organised appropriately.

To this end, the Board of Directors has adopted written rules of procedure concerning the duties of the Board, the matters to be dealt with, meeting practices and the decision-making procedure. According to these rules, the Board of Directors controls and monitors the operations and management of the company and discusses and decides on significant matters related to the company's strategy, investments, organisation and financing. The rules of procedure lay down the following key duties for the Board of Directors:

- Approving the strategic goals and guidelines for the Group and its business areas.
- Approving the budgets and business plans for the Group and its business areas.
- Deciding on the investment plan for each calendar year and approving major investments that exceed one million euros.
- Approving major M&A and restructuring operations.

- Approving the Group's operating principles for important elements of management and supervision.
- Discussing and adopting interim reports and financial statements.
- Monitoring and evaluating the Group's financial reporting system.
- Preparing the items to be dealt with at General Meetings and ensuring that they are implemented.
- Approving the internal control audit plan and monitoring and evaluating the effectiveness of internal control and audit and risk management systems.
- Appointing and dismissing the CEO and deciding on his or her remuneration and other benefits.
- Approving, at the CEO's proposal, the hiring of his or her direct subordinates and the principal terms of their employment contracts.
- Approving the organisational structure and the key principles of incentive schemes.
- Monitoring and evaluating the CEO's performance.
- Monitoring and evaluating the independence of the auditor, in particular the provision of non-audit services by the auditor.
- Monitoring and evaluating the company's financial reporting system as well as the audit of financial statements and consolidated financial statements.
- Deciding on other matters that are important in view of the size of the Group and that are not part of day-to-day operations, such as considerable expansion or contraction of business or other material changes in operations, taking of long-term loans, and the sale and pledging of fixed assets.
- Monitoring and evaluating how contracts and other legal transactions between the company and its related parties fulfil the requirements of being part of the company's normal operations and market conditions.
- Deciding on other matters which, under the Limited Liability Companies Act, fall within the remit of the Board of Directors.
- Performing the Audit Committee's duties referred to in recommendation 16 of the Corporate Governance Code.

The Board of Directors regularly assesses its operations and working methods through self-evaluation once a year.

5.2 Meeting practices and information flow

The Board of Directors meets at regular intervals about 10 times during the term in accordance with a separate meeting schedule confirmed in advance by the Board, and when necessary. In 2019, the Board of Directors met fourteen (14) times. The average meeting attendance of the members of the Board of Directors was 100%.

During the meetings of the Board of Directors, the CEO gives a review of the financial situation of the Group by business area. The review also covers forecasts, investments, organisational changes and other issues that are important for the Group.

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5.3 On 31 December 2019, the members of the Board of Directors were the following:



Name	Seppo Paavola, Chair	Jyrki Rantsi, Deputy Chair
Year of birth	1962	1968
Education	Agrologist (secondary school graduate)	Agrologist
Main occupation	Farmer	Farmer, pork producer
Relevant work experience	<ul style="list-style-type: none"> • Farm advisor, Rural Centre of Central Ostrobothnia 1991–1996 • Agricultural entrepreneur 1996–present 	Agricultural entrepreneur
Member of the Board since	2012	2013
Concurrent key positions of trust	<ul style="list-style-type: none"> • Member of the Supervisory Board of Itikka Co-operative 2000–present, Deputy Chair 2008–2011 and Chair 2012–present • Chair of the Board of Directors of Perhonjokilaakso Co-operative Bank (former Kaustinen Co-operative Bank) 2002–present • Member of the Board of Directors of Pellervo 2012–present 	<ul style="list-style-type: none"> • Member of the Board of Directors of Finnpig Oy 2013–present • Chair of the Board of Directors of A-Farmers Ltd 2018–present
Past key positions of trust	<ul style="list-style-type: none"> • Member of the Supervisory Board of Atria Plc 2006–2012 and Deputy Chair 2009–2012 • Member of the Co-operative Advisory Committee of Pellervo Confederation 2012–2017 	<ul style="list-style-type: none"> • Chair of the Board of Directors of Lihakunta 2015–2019 • Member of the Board of Directors of Lihakunta 2013–2019 • Deputy Chair of the Board of Directors of Lihakunta 2013–2015 • Deputy Chair of the Board of Directors of A-Farmers Ltd 2015–2017
Independence	Dependent of the company	Dependent of the company
Shareholding on 31 December 2019	4,400	700
Share-based rights in the company	None	None
Attendance in meetings	14/14	14/14

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Name	Nella Ginman-Tjeder	Pasi Korhonen
Year of birth	1959	1975
Education	M.Sc. (Econ.)	
Main occupation	Eira Hospital, Managing Director	Farmer
Relevant work experience	<ul style="list-style-type: none"> • Ifolor Oy, Managing Director 2007–2014 • American Express, Country Manager 2004–2007 	Farmer
Member of the Board since	2016	2016
Concurrent key positions of trust	<ul style="list-style-type: none"> • Member of the Board of Directors of Viking Malt Oy 2014–present • Member of the Board of Directors of Stiftelsen Arcada 2010–present • Member of the Board of Directors of Oy Indmeas Ab 2008–present 	<ul style="list-style-type: none"> • Chair of the Board of Directors of Lihakunta 2019–present • Member of the Board of Directors of Lihakunta 2013–present • Member of the Board of Directors of Kainuun maa- ja metsäsäätiö 2013–present
Past key positions of trust	<ul style="list-style-type: none"> • Member of the Board of Directors of Tulikivi Corporation 2013–2015 	<ul style="list-style-type: none"> • Deputy Chair of the Board of Directors of Lihakunta 2016–2019 • Councillor of the Sotkamo Municipal Council 2015–2017
Independence	Independent of the company and significant shareholders	Dependent of the company and significant shareholders
Shareholding on 31 December 2019	0	0
Share-based rights in the company	None	None
Attendance in meetings	14/14	14/14

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Name	Jukka Moisio	Kjell-Göran Paxal
Year of birth	1961	1967
Education	M.Sc. (Econ.), MBA	Agrologist
Main occupation	Several positions of trust	Farmer, piglet and pork producer
Relevant work experience	<ul style="list-style-type: none"> • CEO of Huhtamäki Oyj 2009–2019 • Ahlstrom Oyj 1991–2008 (various duties) 	<ul style="list-style-type: none"> • Feed salesman, Oy Foremix Ab 1990–1997 • Primary Production Manager, Pohjanmaan Liha Co-operative 1990–1997
Member of the Board since	2014	2012
Concurrent key positions of trust	<ul style="list-style-type: none"> • Member of the Board of Directors of Paulig Oy 2019–present • Member of the Board of Directors of Sulapac Oy 2019–present • Member of the Supervisory Board of Finnish Fair Co-operative 2008–present 	<ul style="list-style-type: none"> • Chair of the Board of Directors of Pohjanmaan Liha Co-operative 2010–present • Member of the Board of Directors of A-Farmers Ltd 2003–present • Chair of the Board of Directors of Oy Foremix Ab 2010–present • Member of the Board of Directors of A-Rehu Oy 2010–present • Chair of the Board of Directors of Ab WestFarm Oy 2010–present • Member of the Board of Directors of Osuuskunta Pohjanmaan Liha Co-operative 2002–present • Member of the Board of Directors of Oy Foremix Ab 2004–present
Past key positions of trust		<ul style="list-style-type: none"> • Deputy member of the Board of Directors of the Central Union of Swedish-Speaking Agricultural Producers in Finland 1999–2001 • Deputy Chair of the Board of Directors of Pohjanmaan Liha Co-operative, 2002–2009
Independence	Independent of the company and significant shareholders	Dependent of the company
Shareholding on 31 December 2019	0	2,566
Share-based rights in the company	None	None
Attendance in meetings	14/14	14/14

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Name	Ahti Ritola	Harri Sivula
Year of birth	1964	1962
Education	B.Ba. (Business Administration)	M.Sc. (Admin.)
Main occupation	Farmer and beef producer	Professional board member
Relevant work experience	Entrepreneur in agriculture, real estate and commerce since 1985	<ul style="list-style-type: none"> • Tokmanni Group Corporation, Acting Managing Director 2017–2018 • Managing Director of GS1 2015–2017 • CEO, Restel Ltd 2010–2014 • CEO of Onninen Oy, 2006–2010 • Deputy CEO of Kesko Corporation/Division Manager Kesko Food, 1987–2006
Member of the Board since	2018	2009
Concurrent key positions of trust	<ul style="list-style-type: none"> • Chair of the Board of Directors of A-Rehu Oy, 2019–present • Member of the Itikka Co-operative 2013–present and Chair 2018–present 	<ul style="list-style-type: none"> • Member of the Board of Directors of Tokmanni Oy 2011–present • Member of the Board of Directors of Leipurin Oy 2014–present • Member of the Board of Directors of Makua Foods Oy 2015–present • Member of the Board of Directors of Kamux Oyj 2016–present • Member of the Board of Directors of Dieta Oy 2016–present
Past key positions of trust	<ul style="list-style-type: none"> • Itikka Cooperative: member of the Representative Council 2001–2012, member of the Supervisory Board since 2012–2013, • Member of the Supervisory Board of Atria Plc since 2013–2018, • Member of the Representative Council of the South Ostrobothnia Cooperative Bank 2004–2017 	<ul style="list-style-type: none"> • Member of the Board of Directors of GS1 Finland Oy 2016–2018 • Member of the Board of Directors of TyöHelo Oy 2017–2018 • Member of the Board of Directors of Olvi Oy 2007–2011 • Member of the Board of Directors of Norpe Oy 2010–2013 • Member of the Board of Directors of Leipurin Oyj 2010–2013 • Member of the Supervisory Board of Nets 2011–2013
Independence	Dependent of the company and significant shareholders	Independent of the company and significant shareholders
Shareholding on 31 December 2019	400 (company authority)	10,000
Share-based rights in the company	None	None
Attendance in meetings	14/14	14/14

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The Board of Directors has estimated that of its members, Seppo Paavola, Jyrki Rantsi, Ahti Ritola, Pasi Korhonen and Kjell-Göran Paxal are dependent of Atria because they are either full-time farmers who have, or are in the management of, another company that has a significant customer, supplier or partnership relationship with Atria Group for that entrepreneur/company. With respect to Harri Sivula, the Board of Directors has concluded that, although Sivula has been a member of Atria's Board of Directors for more than ten years, Sivula is, based on an overall assessment, independent of the company.

Of the Board members, Ahti Ritola is a member of the Board of Directors of Itikka Co-operative, a significant shareholder, and Pasi Korhonen is a member of the Board of Directors of Lihakunta, a significant shareholder, and are thus dependent of a significant shareholder. Jyrki Rantsi has been a member of the Board of Directors of Lihakunta, a significant shareholder, until 17 December 2019 but not anymore 31 December 2019 and has therefore been dependent of a significant shareholder in 2019. Seppo Paavola is a member of the Supervisory Board of Itikka Co-operative, a significant shareholder. Membership of the Supervisory Board of a significant shareholder alone has not been considered to cause dependence of the significant shareholder.

The members of the Board of Directors are obliged to provide the Board with sufficient information to assess their skills and independency and to notify the Board of any changes to the information.

5.4 Principles concerning diversity of the Board of Directors and the Supervisory Board

For Atria, diversity is one factor in the company's responsible business operations. When planning who will be on Atria's Board of Directors and/or Supervisory Board, diversity is considered from several different viewpoints, and the scope and development needs of the company's business operations are considered.

The aim of the selection of the members of the Board of Directors and/or the Supervisory Board is to ensure that their diverse expertise and composition support the development of Atria's current and future business. A constructively questioning and challenging Board of Directors and Supervisory Board bring added value to the company's operations and diversify the work of the Board of Directors and Supervisory Board. Atria intends to promote the selection of the best qualified people with merit in various sub-areas of the value chain as a whole in such a way that candidates of both genders have equal chances of being elected to the Board of Directors or the Supervisory Board. Atria's goal is that the Board of Directors and the Supervisory Board have both genders represented, and if the two member candidates are equally qualified, the representative of the minority gender be given priority. In addition to the factors stated above, the candidates are also evaluated on their ability to commit sufficient time to fulfilling their duties.

5.4.1. Diversity of the Board of Directors

An aim is for the Board as a whole to possess diverse, substantive expertise in various parts of Atria's value chain, broad-ranging corporate and business experience, and the competence and understanding of international business as required to realise the company's strategy. It is not necessary for every member of the Board to be competent in all of the aforementioned matters. Instead, the aim is for each member of the Board to contribute some expertise in some of the aforementioned sub-areas. The Board's diversity is further supported by the other forms of expertise, training and experience that Board members can contribute from various professional fields and sectors, as well as consideration of the age and gender distribution of Board members. In addition to the factors stated above, the candidates are also evaluated on their ability to commit sufficient time to fulfilling their duties.

5.4.2 Diversity of Supervisory Board members

In the selection of the members of the Supervisory Board, diversity is intended to be considered in the knowledge of the members of the meat sector and its different production types. In addition, the diversity of the Supervisory Board is supported by the fact that the residence and production areas of the members represent different geographical areas of Finland. Account is also taken of the age and gender distribution of the members of the Supervisory Board and of any other competence supporting the Board's work.

5.4.3. Realisation of diversity principles

In order to achieve the goals set out in the diversity principles, the company has actively sought and seeks to communicate its goals to Atria's shareholders. During the financial period 2019, one member of the Board of Directors was a woman and the other were men, that is, the share of the less represented gender of Board members was 12.5%. Similarly, during the financial period 2019, one member of the Supervisory Board was a woman and the other were men, that is, the share of the less represented gender of Supervisory Board members was 5.2%. The minimum goal set by the company for the representation of both genders is thus fulfilled. In addition, the company's other goals for a diverse representation of Board and Supervisory Board members have been met, taking into account the Board members' in-depth knowledge of meat, commercial and industrial operations and the Supervisory Board members' knowledge of the meat sector, various production types and representation of different geographical areas.

6. Board Committees

The Board of Directors may decide to set up committees to handle duties designated by the Board. The Board of Directors approves the rules of procedure for the committees.

The Board of Directors has one committee, the Nomination and Remuneration Committee. The Board of Directors appoints the members of the Committee from amongst its members

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according to the rules of procedure of the Committee. The Committee has no autonomous decision-making power. Decisions are made by the Board of Directors on the basis of the Committee's preparations and proposals. The Committee regularly reports on their work to the Board of Directors, which supervises the operations of the Committee.

The aim of the Nomination and Remuneration Committee is to prepare the CEO's and Deputy CEO's elections as well as the management's terms of employment, ensure the objectivity of decision-making, enhance the achievement of the company's goals through bonus schemes, increase the company's value and ensure that bonus schemes are transparent and systematic. The aim of the Nomination and Remuneration Committee is also to ensure that the merit pay systems are linked to the company's strategy and the results obtained.

The Nomination and Remuneration Committee has three (3) members. According to its rules of procedure, the Nomination and Remuneration Committee consists of the Chairman, Deputy Chairman and one member of the Board of Directors elected by the Board itself. As an exception to recommendation 17 of the Corporate Governance Code, one (1) of the three members of the Nomination and Remuneration Committee is independent of the company and significant shareholders. The Nomination and Remuneration Committee consists of members of the Board of Directors, most of whom are dependent of the company and significant shareholders.

The Chairman of the Nomination and Remuneration Committee is Seppo Paavola and the other members are Jyrki Rantsi and Nella Ginman-Tjedder. In 2019, the Nomination and Remuneration Committee met four (4) times, and the average attendance of the members was 100% as follows: Seppo Paavola 4/4, Jyrki Rantsi 4/4 and Nella Ginman-Tjedder 4/4.

According to the rules of procedure, the duties of the Nomination and Remuneration Committee are as follows:

- Making the preparations for the nomination of the CEO and Deputy CEO.
- Making preparations to search for successors to the CEO and Deputy CEO.
- Preparing the terms of employment of the CEO and Deputy CEO and bringing them before the Board of Directors.
- Preparing the remuneration, fees and other employment benefits of the directors that report to the CEO and bringing them before the Board of Directors.
- Preparing the forms and criteria of the bonus and incentive schemes of top management and bringing them before the Board of Directors.
- Preparing the content and group assignments of the pension programmes of the company's management and bringing them before the Board of Directors.
- Submitting its statement on the bonus arrangements for the entire personnel before their approval and assessing their functionality and the achievement of the systems' goals.
- If required, discussing possible interpretation problems related to the application of the

approved bonus schemes and recommending a solution.

- If required, reviews information to be published in the financial statements and, where applicable, in other bonus-related documents.
- Preparing the Remuneration Policy and Report for the General Meeting and presenting the Remuneration Policy and Report at the General Meeting and answering related questions regarding the remuneration of the CEO and Deputy CEO.
- Performing other duties separately assigned to it by the Board of Directors.

The Chairman of the Nomination and Remuneration Committee convenes the Committee as needed. At the meetings, the matters belonging to the duties of the Committee are reviewed. The Nomination and Remuneration Committee may invite other people to join its meetings if deemed necessary and may use external experts to assist the Committee in fulfilling its duties.

As noted in section 4 above, Atria's General Meeting has established a separate Shareholders' Nomination Committee to prepare proposals concerning the election and remuneration of the members of the Board of Directors as well as the remuneration of the members of the Supervisory Board for the next Annual General Meeting.

7. CEO

The company's CEO is responsible for managing the company's day-to-day administration in accordance with the instructions and orders issued by the Board of Directors, as well as informing the Board of Directors of the development of the company's operations and financial performance. The CEO ensures the legality of the company's accounting and the reliability of asset management. The CEO is appointed by the Board of Directors, which decides on the terms of his or her employment.

Since March 2011, Atria's CEO has been Juha Gröhn, MSc (Food Sc.).

8. Management Team

Atria Group has a Management Team chaired by the CEO. The Management Team assists the CEO in planning the operations and in operational management. The duties of the Management Team include, among others, preparing strategic plans and putting them into practice, handling significant projects and organisational changes as well as reviewing and implementing the Group's risk management measures in their respective areas of responsibility.

In 2019, the Management Team met eight (8) times.

ATRIA GROUP'S MANAGEMENT TEAM

On 31 December 2019, the members of the Atria Group's Management Team were the following:



Name	Juha Gröhn, CEO	Tomas Back, CFO and Deputy CEO of Atria Plc, Executive Vice President, Atria Denmark	Mika Ala-Fossi, Executive Vice President, Atria Finland
Joined Atria in	1990	2007	2000
Year of birth	1963	1964	1971
Education	M.Sc. (Food Sc.)	M.Sc. (Econ.)	Meat industry technician
Relevant work experience	<ul style="list-style-type: none"> Atria Plc, CEO since 2011–present Managing Director of Atria Scandinavia Ab; Vice President of Atria Plc 2010–2011 Managing Director of Atria Finland Ltd; Vice Managing Director of Atria Plc 2006–2010 Director for Meat Industry and Vice Managing Director, Atria Ltd 2004–2006 Director for Steering and Vice Managing Director, Atria Ltd 2003–2004 Director for Slaughterhouse Industry and Vice Managing Director, Atria Ltd 1999–2003 Director, Meat Products and Convenience Food Industries, Atria Ltd 1993–1998 R&D Manager Itikka-Lihapolar 1991–1993 ForemanLihapolar 1990–1991 	<ul style="list-style-type: none"> CFO and Deputy CEO of Atria Plc, Executive Vice President, Atria Denmark 2018–present Executive Vice President, Atria Scandinavia 2011–2017 Executive Vice President, Atria Baltic 2010–2011 CFO, Atria Plc 2007–2011 CFO, Huhtamäki Americas / Rigid Europe 2003–2007 Financial Manager/CFO, Huhtamäki Oyj 1996–2002 Financial Manager, Huhtamäki Finance Oy, Lausanne 1990–1995 	<ul style="list-style-type: none"> Executive Vice President, Atria Finland 2011–present Director, Convenience Food and Meat Product Business 2007–2011 Director, Poultry Business, Atria Finland 2006–2007 Production Manager, Atria Ltd 2003–2006 Unit Manager, Atria Ltd 2000–2003 Foreman, Liha-Saarioinen Oy 1997–2000
Concurrent key positions of trust	<ul style="list-style-type: none"> Member of the Board of Directors in Finnish Food and Drink Industries' Federation (ETL) since 2012– Member of the Board of Directors in East Office of Finnish Industries Ltd Member of the Board of Directors in Laihian Mallas since 2018– 		<ul style="list-style-type: none"> Member of the Board of Directors of Länsi-Kalkkuna Oy 2007–present Chair of the Board of Directors of Honkajoki Oy 2015–present and member of the Board of Directors 2011–present
Past key positions of trust	<ul style="list-style-type: none"> Chair of the Board of Directors in Finnish Food and Drink Industries' Federation (ETL) 2013–2015 	<ul style="list-style-type: none"> Member and Deputy Chair of the Board of Directors of the Swedish Meat Industry Association 2012–2018 Member of the Board of Directors of the Swedish Food Federation 2012–2018 Member of the Board of Directors of the Svensk Fågel Service Ab 2017–2018 	<ul style="list-style-type: none"> Member of the board of Directors of Lihatie dotus ry since 2011–2019 Chair of the Board of Directors of Länsi-Kalkkuna 2015–2019
Shareholding on 31 December 2019	21,160	2,038	1,098

ATRIA GROUP'S MANAGEMENT TEAM



Nimi	Jarmo Lindholm, Executive Vice President, Atria Sweden	Olle Horm, Executive Vice President, Atria Estonia	Ilari Hyyrynen, Executive Vice President, Atria Russia
Joined in Atria	2002	2012	2018
Year of birth	1973	1967	1965
Education	M.Sc. (Econ.)	Engineer	MBA
Relevant work experience	<ul style="list-style-type: none"> Executive Vice President, Atria Sweden 2018–present Executive Vice President, Atria Russia 2011–2017 Group Vice President, Product Leadership, Atria Plc 2010–2011 Group Vice President, Product Group Management and Product Development, Commercial Director, Atria Finland Ltd 2005–2010 Marketing Manager, Atria Ltd 2002–2005 Account Manager, Marketing Manager, AC Nielsen 2000–2002 Customer Service Manager & e-Business, Unilever Finland 1998–2000 	<ul style="list-style-type: none"> Executive Vice President, Atria Estonia 2018–present Executive Vice President, Atria Baltic 2012–2017 Chair of the Board, Maag Meat Industry 2009–2012 Chair of the Board, Skanska EMV AS 2008–2009 Chair of the Board, Rakvere Lihakombinaat AS 2000–2008 Head of transportation and equipment department, EMV AS 1998–1999 Management and development duties, EK AS 1992–1998 	<ul style="list-style-type: none"> Executive Vice President, Atria Russia 2018–present Country director, Russia, Tikkurila Plc 2014–2018 Managing Director, Tikkurila Polska S.A. 2012–2014 Director, BU North, Tikkurila Plc 2010–2012 Tikkurila Ltd/ Plc, several positions 2003–2010 Dynea Overlays Ltd, Sales Manager 2002–2003 Akzo Nobel Coatings Ltd, Sales Manager 1998–2002 Kausalan Tapetti ja Väri Ltd, Salesman 1988–1998
Concurrent key positions of trust	<ul style="list-style-type: none"> Member of the Board of Directors of the Swedish Food Federation since 2018–present 	<ul style="list-style-type: none"> Member of the Board of Directors of the Estonian Food Industry Federation Member of the Board of Directors of the Estonian Pig Breeders Association 	<ul style="list-style-type: none"> Member of the Board of Directors of the East Office of Finnish Industries Oy since 2018
Past key positions of trust	<ul style="list-style-type: none"> Member of the Board of East Office of Finnish Industries Oy, 2012–2018 		
Shareholding on 31 December 2019	1,178	-	-

ATRIA GROUP'S MANAGEMENT TEAM



Name	Pasi Luostarinen, Executive Vice President Marketing & Market Insight	Lars Ohlin, Executive Vice President Human Resources	Merja Leino, Executive Vice President Sustainability
Joined in Atria	2000	2007	1996
Year of birth	1966	1958	1960
Education	M.Sc. (Econ.)	BA (International Business Administration)	PhD (Food Chemistry)
Relevant work experience	<ul style="list-style-type: none"> Executive Vice President Marketing & Marketing Insight, Atria Plc 2016–present Senior Vice President Marketing & Product Development, Atria Finland 2011–2016 Group Vice President Strategy /Senior Vice President Marketing & Product Development, Atria Plc and Atria Finland 2009–2011 Group Vice President Brand Management & Cold Cuts / Senior Vice President Meatproducts, Atria Plc and Atria Finland 2007–2011 Group Vice President Marketing & Product Development, Atria Plc 2006–2007 Marketing Director, Atria Plc, Atria Finland and Atria Sweden 2000–2006 Marketing Director, Valio 1997–2000 Trade Development Manager, British American Tobacco Nordic 1996–1997 Key Account Manager/ Category Manager, Fazer Makeiset Oy 1993–1996 Product Manager, Oy Mallasjuoma 1991–1993 	<ul style="list-style-type: none"> Executive Vice President Human Resources, Atria Plc 2016–present Senior Vice President Human Resources, Atria Scandinavia 2014–2016 General Manager, Ridderheims & Falbygdens (Atria Deli) 2010–2014 Business Development Director, Atria Scandinavia 2007–2010 Business Development Director, Sardus 2000–2007 Business Area Director, Nationalencyklopedin 1997–2000 Vice Managing Director, Forte 1995–1997 Market Development Director, Master Foods Finland and Baltics 1992–1995 Human Resource Director, Master Foods Sweden and Finland 1988–1992 Product manager, Master Foods Sweden 1987–1988 Product manager, Findus/Nestlé 1984–1987 	<ul style="list-style-type: none"> Executive Vice President, Sustainability, Atria Plc 2019–present Senior Vice President, Convenience Food Business, Quality, Food Safety and Sustainability, Atria Finland 2016–2019 Senior Vice President, Poultry Business, Quality, Food Safety and Sustainability, Atria Finland 2011–2016 Group Vice President, Quality, Product Safety and Food Business (poultry and convenience food), Atria Plc 2007–2011 Director, Poultry Business, Quality and Product Safety, Atria Finland 2000–2007 Director, Consumer Packed Meat, Quality Development and Product Safety, Atria Finland 1999–2000 Product Development Director, Atria Finland 1996–1999 National coordinator, Elintarviketalouden Osaamiskeskus 1995–1996 Packaging Developer/Packaging Manager, Unilever 1993–1995 Resercher, University of Turku 1991–1993 Product Developer, Huhtamäki, Jalostaja 1987–1991
Concurrent key positions of trust	<ul style="list-style-type: none"> Member of the Board of the Directors of the Tango Festival in Seinäjoki 2019–present and Vice Chair 2019–present 		<ul style="list-style-type: none"> Chairman of the Board of Directors ,Foodwest Oy 2005–present Member of the Supervisory Board, Finnish 4H organization 2005–present
Past key positions of trust			<ul style="list-style-type: none"> Member of the Board of Directors, Foodwest Oy 1996–2005
Shareholding on 31 December 2019	2,122	668	1,946

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9. Remuneration

Atria has prepared a Remuneration Statement in accordance with the Corporate Governance Code which came into force on 1 January 2016. The remuneration statement is part of this Corporate Governance Statement. The statement is available on the company's website at www.atria.fi/en/group/investors/corporate-governance.

10. Internal control, risk management and internal audit

10.1 Internal control

The Board of Directors and the CEO are responsible for the company's internal control. The Board of Directors ensures that Atria has defined the operating principles of internal control and that the functioning of the principles is controlled and monitored. The purpose of internal control is to ensure that Atria's operations are efficient and in line with the company's strategy, all financial and operational reports are reliable, the Group's operations are in accordance with the law and regulations, and the company's internal policies and codes of conduct are complied with.

Atria's strategic and annual financial targets guide the Group's operations. The targets have been communicated to all business areas and have been agreed and approved as part of the strategy process or the annual target setting process. Achievement of financial targets is monitored monthly and quarterly in each business area and at Group level.

Atria has Group-level guidelines and rules that apply across all of the Group's business areas and business units. Training and awareness-raising as well as various controls are used to ensure compliance with the guidelines and rules. In addition, business areas and business units may have guidance and training on internal control relating to their operations.

Compliance with management guidelines and the reliability of financial and business reporting is ensured by documenting financial processes, various financial management guidelines, and guided control practices. Control practices are both preventive and detective. Typical control practices include approvals, affirmations, verifications, reconciliations, performance audits, asset safeguards, segregation of duties, and access control.

10.2 Risk management

The purpose of risk management is to support the realisation of Atria's strategy and the achievement of objectives as well as the development of the organisation in the business environment defined in Atria's strategy. Risk management also aims to prevent adverse events and protect business continuity.

Atria defines risk as the effect of uncertainty on the company's objectives. Risks can cause

positive or negative deviations from the objectives. Risks may be caused by events within Atria or external conditions or events. For reporting purposes, Atria's risks are divided into four categories: strategic risks, operational risks, hazard risks and financial risks. Risk management is guided by the Risk Management Policy approved by the Board of Directors and, where applicable, by the ISO 31000 and ISO 31010 standards. The Risk Management Policy specifies Atria's risk management goals, responsibilities and powers, together with the principles of risk assessment and reporting. More detailed instructions on risk assessment and reporting practices are presented in Atria's Risk Management Process Guide.

Risk management is part of Atria's day-to-day business and helps to make decisions that take into account the impact of uncertainty on operations. At Atria Group, risk management is based on a uniform model for risk identification, assessment and reporting and forms an integral part of the annual planning process. Risk-related communications are carried out in accordance with the Group's communications plan. Risks are managed in accordance with the specified approved principles in all business areas and Group operations.

Organisation and responsibilities in risk management

The Board of Directors approves the Risk Management Policy and any changes to it and supervises the implementation of the principles specified in the policy. The Group's CEO is responsible for the appropriate organisation of risk management at Atria, and the CFO sees to the development of risk management and the risk reporting framework.

The members of the Group's Management Team are responsible for identifying and assessing strategic risks and for implementing risk management in their respective areas of responsibility. The management teams of the business areas are responsible for identifying and assessing operational risks and for implementing risk management in their business areas. The Group's Treasury Committee is responsible for identifying and assessing financial risks and for implementing risk management throughout the Group.

When preparing an annual plan for internal audit, key observations from the risk assessments made as part of the Group's planning process are taken into account. Every Atria employee is responsible for identifying and assessing risks associated with their work and any other risks that they encounter, and for drawing attention to and preventing such risks.

Major risks and uncertainties that the Board of Directors is aware of are discussed in more detail in the Report by the Board of Directors under "Risk management at Atria".

10.3 Internal audit

Atria's Group Control function handles internal audits in collaboration with an external service provider. The Board of Directors approves the annual plan for internal audit. The preparation of the audit plan is guided by risk management, issues identified as part of

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the Group's internal reporting, goals related to improving the quality and efficiency of operations, and current issues in the company's business environment. Where necessary, internal audit also conducts separate studies commissioned by the Board of Directors or the Group's management.

Internal audit ensures and evaluates the functioning of the company's internal control system, the relevance and efficiency of activities, and compliance with guidelines. It also aims to promote the quality of the operations and process, ensure the achievement of Atria's targets and the functioning of risk management, and highlight best practices of various functions and opportunities for developing them.

Internal audit assesses the following areas:

- Accuracy and adequacy of financial information
- Compliance with operating principles, codes of practice and regulations
- Protection of property against losses
- Cost-efficiency and effectiveness of the use of resources
- Implementation of changes
- Opportunities provided by various practices and the utilisation of best practices.

The results of internal auditing are documented and discussed with the audited area of operation and Group management. A summary of the audit results is presented to the Board of Directors at least once a year. Regular discussions are held with the external auditor in order to ensure that the audit activities cover a sufficiently wide range of operations and to avoid overlapping audit activities.

11. Auditing

In accordance with the Articles of Association, the company has one (1) auditor, which must be an audit firm approved by the Finnish Patent and Registration Office. The auditor's term of office ends at the closing of the next Annual General Meeting following the election.

The auditor provides Atria's shareholders with an Auditor's Report document in accordance with the law, in conjunction with the company's financial statements, and reports regularly to the Board of Directors and the management. The auditor participates in a Board meeting at least once a year, on which occasion a discussion of the audit plan and the results of auditing is arranged.

In 2019, Atria Plc's Annual General Meeting elected audit firm PricewaterhouseCoopers Oy as the company's auditor for a term ending at the closing of the next Annual General Meeting following the election. According to the firm, the auditor in charge is Authorised Public Accountant Samuli Perälä. The auditor's fee is paid against an invoice approved by the company.

Auditor's fees for the financial period 2019

In 2019, the Group paid a total of EUR 328,000 in auditor's fees to PricewaterhouseCoopers Oy. For non-audit services, EUR 8,000 was paid in 2019.

12. Insider policy

Atria complies with Nasdaq Helsinki Ltd's Guidelines for Insiders. In addition, Atria's Board of Directors has confirmed the insider guidelines for the company, which supplement other insider regulations and provide guidance on insiders and insider administration. The company's insider guidelines have been distributed to every member of the company's personnel in a senior management position and those involved in preparing financial reports, as well as being made available on the company's intranet.

The Market Abuse Regulation ((EU) No. 596/2014) has been applied since 3 July 2016. Atria has not established a permanent insider register and insider information is managed through project-specific insider lists, which are established and maintained as needed. All project-specific insiders are informed in writing of their insider status and given appropriate insider guidelines.

Atria has determined that the members of the Board of Directors, members of the Supervisory Board, the CEO, the CFO and the Deputy CEO satisfy the definition of personnel in senior management roles whose details must be reported. The company maintains a list of the personnel in senior management roles and their related parties.

The company maintains a register of the senior management whose details must be reported and their related parties and, where applicable, Atria's project-specific insiders. The company's legal department and CFO monitor compliance with the insider guidelines. Personnel in senior management positions and personnel involved in preparing financial reports have a restricted entitlement to enter into transactions involving the company's financial instruments: these personnel may not trade in the company's shares 30 days before the publication of an interim report or financial statement release and, if there are more than 30 days between the end of the review period and the publication of the report/release, during this period.

13. Related-party transactions

The regular business of Atria Group primary production companies is the sale and purchase of animals, grain and feed, also from persons belonging to Atria's related parties. In addition, Atria Group companies buy and sell services and raw materials to companies belonging to Atria's related parties.

The company has defined its related parties and maintains a list of related parties. Necessary

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guidance has been given to related parties. Each person belonging to Atria's related parties is responsible for ensuring that Atria has up-to-date information about the person's related parties. The company updates the list of related parties at least once a year in the form of a request for information to persons belonging to the related parties. At the same time, entities belonging to Atria's related parties are also checked.

Decision-making guidelines have been prepared for transactions with related parties, which help Atria to internally identify related-party transactions and related requirements and to assess the regularity of the transaction in advance. The guidelines are intended to ensure the careful preparation of related-party transactions, as well as the obtaining of any necessary reports, statements and/or assessments, and decision-making, subject to disqualification provisions.

Atria has an existing monitoring and reporting system for related-party transactions, and the transactions are also subject to regular control measures. Related-party transactions are reported to the Board of Directors on an annual basis in order for the Board to verify the regularity and market-conform of the transactions.

14. Communications

The aim of Atria's investor reporting is to ensure that the market has correct and sufficient information available at all times to determine the value of Atria's shares. An additional aim is to provide the financial markets with comprehensive information to enable active participants in the capital markets to form a justified image of Atria as an investment.

Silent period

Atria has defined a silent period in its investor relations communications, which is 30 calendar days prior to the publication of interim reports and financial statements and, if there are more than 30 days between the end of the review period and the publication of the report/release, this period. During this time, Atria issues no statements on its financial position.

Investor information

Atria publishes financial information in real time on its website at www.atria.com. The site contains annual reports, interim reports, company announcements and press releases. The company's largest shareholders are updated regularly to the web pages. The disclosure policy approved by Atria's Board of Directors describes the key principles and procedures followed by Atria as a listed company in its communications with the media, capital markets and other stakeholders. Atria's disclosure policy is available in full on the company's website at www.atria.fi/en/group/investors/disclosure-policy.

Remuneration statement

1. Remuneration statement

This remuneration statement of Atria Plc ("Atria" or "the company") is complied with the Corporate Governance Code published by the Securities Market Association and valid since 1 January 2016 and is a consistent description of the remuneration of the company's Board of Directors and management pursuant to the Corporate Governance Code.

2. Remuneration of the members of the Supervisory Board

The Annual General Meeting decides on the remuneration of the members of the Supervisory Board annually, on the basis of the proposal prepared to the Annual General Meeting by the Shareholders' Nomination Board. The remuneration paid to the Supervisory Board in 2019 was as follows:

- Meeting compensation: EUR 250/meeting
- Compensation for loss of working time: EUR 250 for meeting and assignment dates
- Fee of the Chairman of the Supervisory Board: EUR 1,500/month
- Fee of the Deputy Chairman of the Supervisory Board: EUR 750/month
- Travel allowance according to the Company's travel policy.

Meeting compensation and compensation for loss of working time is paid for meetings of Supervisory Board and for Chairman and Deputy Chairman for those Board of Director's meeting where they attend to carry out the tasks of Supervisory Board.

The members of the Supervisory Board have no share incentive plans or share-based bonus schemes, nor are they entitled to any other financial benefits besides the remunerations decided on by the Annual General Meeting.

In 2019, the monthly and meeting fees paid to the members of the Supervisory Board for participating in the work of the Supervisory Board (including fees for work performed in other companies within the same Group) were as follows:

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Name	Atria Plc		A-Tuottajat Oy		A-Rehu Oy		Total
	Monthly fees	Meeting fees	Monthly fees	Meeting fees	Monthly fees	Meeting fees	
Anttikoski Juho	9,000	4,250					13,250
Asunmaa Mika		2,000		6 000			8,000
Flink Reijo, until April 2019		250					250
Haarala Lassi Antti		2,500					2,500
Halonon Jyrki, from April 4/2019		2,000					2,000
Hantula Jussi		1,750					1,750
Hyry Hannu, until April 2019		500					500
Hyttinen Veli		2,500			7,800	3,300	13,600
Ingalsuo Pasi		2,250	7,800	5,400			15,450
Joki-Erkkilä Jussi		2,250					2,250
Juuse Marja-Liisa		2,250					2,250
Kaikkonen Jukka	18,000	4,500					22,500
Kiviniemi Juha		1,750					1,750
Lajunen Ari		2,500					2,500
Nikkola Juha		2,000					2,000
Niku Mika		2,250	6,000				8,250
Ojala Pekka		3,000					3,000
Panula Heikki		1,750					1,750
Sairanen Risto		2,500					2,500
Sandberg Ola		3,000					3,000
Tuhkasaari Timo		2,250					2,250
TOTAL	27,000	48,000	7,800	17,400	7,800	3,300	111,300

3. Remuneration of the members of the Board of Directors

The Annual General Meeting decides on the remuneration of the members of the Board of Directors annually, on the basis of the proposal prepared to the Annual General Meeting by the Shareholders' Nomination Board. Remuneration is handled in the form of monetary compensation. The members of the Board of Directors have no share incentive plans or share-based bonus schemes, nor are they entitled to any other financial benefits besides the remunerations decided on by the Annual General Meeting.

The remuneration paid to the Board of Directors in 2019 was as follows:

- Meeting compensation: EUR 300/meeting
- Compensation for loss of working time: EUR 300 for meeting and assignment dates
- Fee of the Chair of the Board of Directors: EUR 4,700/month

- Fee of the Deputy Chair of the Board of Directors: EUR 2,500/month
- Fee of members of the Board of Directors: EUR 2,000/month
- Travel allowance according to the Company's travel policy.

Meeting compensation and compensation for loss of working time is paid for members of Board of Directors beside of Board meetings also for meetings of Remuneration and Nomination Committee and those meetings of Supervisory Board where Board members attended.

In 2019 monthly fees and meeting fees paid to the members of the Board of Directors for participating in the procedures of the Board of Directors (including being a member of the Board of another company that is part of the same Group) were the following:

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Name	Atria Plc		A-Tuottajat Oy		A-Rehu Oy		Total
	Monthly fees	Meeting fees	Monthly fee	Meeting fees	Monthly fee	Meeting fees	
Ginman-Tjeder Nella	24,000	5,100					29,100
Korhonen Pasi	24,000	10,500					34,500
Moisio Jukka	24,000	3,300					27,300
Paavola Seppo	56,400	12,900					69,300
Paxal Kjell-Göran	24,000	9,600		5,400		3,300	42,300
Rantsi Jyrki	30,000	10,200	15,600	5,200			61,000
Ritola Ahti	24,000	9,600		600	15,600	3,000	52,800
Sivula Harri	24,000	4,800					28,800
Total	230,400	66,000	15,600	11,200	15,600	6,300	345,100

4. Remuneration of CEO and deputy CEO and other management

The remuneration of Atria Plc's management aims to promote the company's long-term financial success and competitiveness and the favorable development of shareholder value. The bonus scheme for the management consists of a fixed monthly salary, merit pay and pension benefits. The company has a share incentive plan since 1 January 2018.

The Board of Directors' Nomination and Remuneration Committee prepares the following for a decision to be made by the Board of Directors: (i) the terms of the service contracts of the CEO and Deputy CEO; (ii) the remuneration, fees and other employment benefits of the directors who report to the CEO; (iii) the forms and criteria of the bonus and incentive schemes of top management; and (iv) the content and group assignments of the pension programs of the company's management.

Atria Plc's Board of Directors decides on the remuneration, other financial benefits and criteria applied in the merit pay system for the Group's CEO, Deputy CEO and Management Team, as well as the merit pay principles used for other management members.

The directors of each business area and the Group's CEO decide on the remuneration of the members of the management teams of the various business areas according to the one-over-one principle. The performance bonus systems for the management teams of the business areas are approved by the Group's CEO.

The base salary for CEO is EUR 541,415/year containing fringe benefits. The remuneration of the CEO and the Deputy CEO consists of base salary (including fringe benefits), short and long-term variable remuneration, pension and other benefits. The proportion of variable elements of the CEO's and Deputy CEO's total remuneration is depending on the Atria

share value as parts of the variable remuneration is given in shares. To illustrate, at a share value of EUR 10,00, variable remuneration corresponds to maximum 45% of the CEO's and maximum 36% of the Deputy CEO's total remuneration, respectively. At a share value of EUR 13,50, variable remuneration corresponds to maximum 50% of the CEO's and maximum 40% of the Deputy CEO's total remuneration, respectively. In year 2019 the part of the variable remuneration was 7 % of the CEO's total remuneration and 3 % of Deputy CEO's total remuneration.

For the members of Atria Group Management Team there has been agreed a group pension arrangement accepted by the Atria Board of Directors. The retirement age based on the group pension arrangement is for Atria Group Management Team members 63 years. According to the pension arrangement agreement, if the legislation concerning pension changes, the retirement age may be altered. Some of the members of Atria Group Management Team, for example CEO and Deputy CEO, have nevertheless the right to retire at the age of 60. The pension arrangement is payment based and the amount of pension is based on the annual earnings as decided by the Board of Directors (including monetary salary and fringe benefits without cash payments of incentive schemes).

The agreements for CEO and Deputy CEO are valid until further notice. According to the CEO's contract, the period of notice is six months for both parties. If the company terminates the contract, the CEO is entitled to the salary for the period of notice and severance pay, which together correspond to 18 months' salary. There are no terms and conditions for any other compensation based on the termination of employment.

According to the Deputy CEO's contract, the period of notice is six months for both parties. If the company terminates the contract, the Deputy CEO is entitled to the salary for the period of notice and severance pay, which together correspond to 14 months' salary. There are no terms and conditions for any other compensation based on the termination of employment.

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5. Incentive schemes for management and key personnel

5.1.1 Long-term share incentive plan

In 2017, Atria Plc's Board of Directors decided on the long-term incentive programme for management and key personnel for the period 2018–2020. The aim of the share incentive programme is to encourage Atria's management to acquire shares in the company and to take action and make decisions that will increase the company's long-term value.

The programme based on share and cash incentives is divided into three year-long earning periods, the second earning period having started 1 January 2019 and expired 31 December 2019. The bonuses payable under the programme are based on the company's earnings per share (EPS) (70%) and organic growth (30%). The bonuses for 2019 will be paid in three equal instalments in 2020, 2021 and 2022, partly in the form of shares in the company and partly in cash. The cash sum is intended to cover the taxes and tax-like fees arising from the bonus. If a person's employment relationship ends before the payment of the bonus, the bonus will not usually be paid. The target group for the share incentive programme can contain a maximum of 40 people. The estimated total value of bonuses payable for the 2019 earning period is approximately EUR 0.1 million.

5.1.2 The ended long-term incentive plan

All payments from the earning period implemented in 2015–2017 were based on the Group's earnings per share (EPS) excluding non-recurring items. Cash bonuses payable under the plan for the entire 2015–2017 earning period was capped at EUR 4.5 million. The plan expired on 31 December 2017, and it covered a maximum of 45 people. The CEO as well as members of the Group's Management Team and the Management Teams of Business Areas were covered by the programme. For the entire 2015–2017 earning period, bonuses worth EUR 2.1 million were accrued. The final bonus payment will be paid in March 2020 and is estimated at EUR 0.2 million.

5.1.3. Short-term incentive plan

The maximum amount of bonus pay under Atria's short-term incentive plan is 25 to 50% of the annual salary, depending on the effect on the results and the level of competence required for the role. The criteria in the bonus pay plan are the performance requirements and net sales at Group level and in the area of responsibility of the person concerned. In addition to the CEO and other members of the Management Team, Atria Plc's merit bonus plans cover approximately 40 people.

The remuneration paid to the CEO and the Management Team in 2019 was as follows:

	Fixed yearly salary	Fringe benefits	Paid merit pays	Supple- mentary pension contribu- tions	Total (EUR)
CEO Juha Gröhn	522,942	18,473	57,838	136,711	735,964
Deputy CEO Tomas Back	294,146	11,382	27,079	76,707	409,314
Other members of the AGMT	1,465,547	121,403	138,403	120,345	1,845,698
TOTAL	2,282,635	151,259	223,320	333,763	2,990,976

5.1.4 The Board of Directors' valid authorisations concerning remuneration

Atria Plc's Annual General Meeting held on 29 April 2020 authorised the Board of Directors to decide on (i) the acquisition of a maximum of 2,800,000 of the company's own series A shares; and (ii) an issue of a maximum of 5,500,000 new series A shares and/ or on the disposal of any series A shares held by the company through a share issue or by granting option rights or other special rights entitling people to shares as referred to in Chapter 10, Section 1 of the Limited Liability Companies Act, in both cases under terms and conditions which enable the use of the acquired and/or issued shares as part of the company's incentive plan.