

## Componenta Corporation Corporate Governance Statement 2014

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

Administration and management of Componenta are based on Finnish legislation, the Company's Articles of Association, and the guidelines and rules of the Helsinki Stock Exchange and the Finnish Financial Supervisory Authority. Componenta administration and management are guided by the Group's values, operating principles, policies and Code of Conduct. Componenta complies with the Corporate Governance Code for Finnish listed companies, which is available on the internet at [www.cgfinland.fi](http://www.cgfinland.fi). In accordance with the comply or explain principle, the Company does not comply with the recommendations of the Corporate Governance Code concerning the establishment of the Nomination Committee and the independence of Board members.

**The Componenta Corporate Governance Statement 2014** as referred to in recommendation 54 of the Finnish Corporate Governance Code for Finnish listed companies, is given as a separate report on Componenta's website at [www.componenta.com](http://www.componenta.com) and in this Annual Report. The content of this Corporate Governance section in the annual report fully corresponds to the separate statement. The Corporate Governance Statement has been reviewed at the meeting of the Audit Committee of Componenta Corporation's Board of Directors on 6 February 2015.

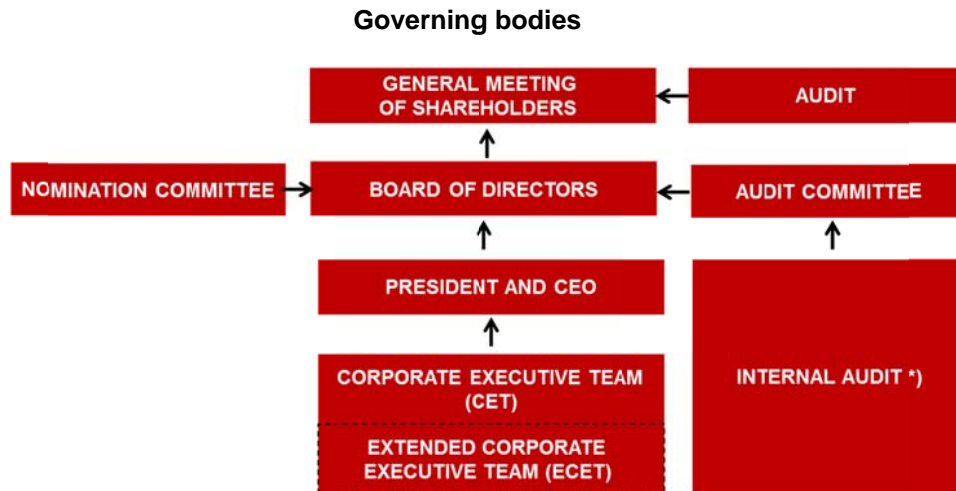
### **Non-compliance with recommendations 28 and 29 of the Corporate Governance Code, Establishment and Members of the Nomination Committee, and grounds for non-compliance**

Componenta does not comply with recommendations 28 and 29 of the Corporate Governance Code, Establishment of Nomination Committee and Members of Nomination Committee, which state that the Nomination Committee comprises members of the Board of Directors and that the President and CEO or other persons in company management may not be a member of the nomination committee. When it set up the Nomination Committee, Componenta's Board of Directors considered that the interests of shareholders are best served by a model in which representatives of the biggest shareholders are appointed to the Nomination Committee. Heikki Lehtonen, a member of Componenta's Nomination Committee who is the biggest shareholder in the Company through the companies he owns, is also President and CEO of Componenta Group, so he is not independent of the Company. The other members of the Nomination Committee are independent of the Company.

### **GOVERNING BODIES OF COMPONENTA**

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

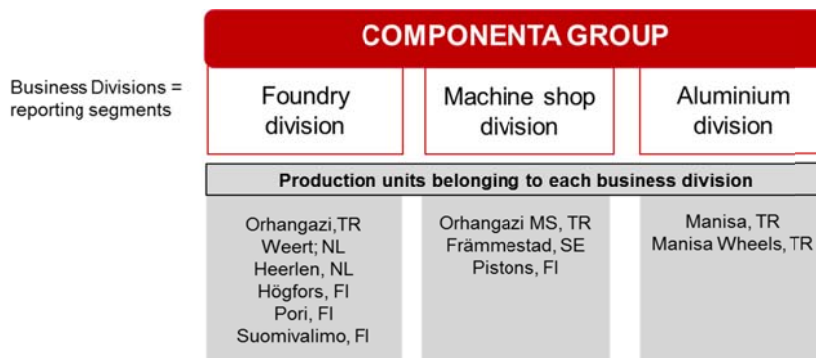
The company is managed by the Board of Directors and by the President and CEO. The Group's Corporate Executive Team assists and supports the President and CEO in carrying out his duties.



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

At Group level, the President and CEO is responsible for operations, assisted by the Corporate Executive Team. At division level, the senior vice presidents in charge of the divisions are responsible for operations, assisted by their management teams..

Componenta reports on its financial performance and business development in accordance with the divisional structure shown below.



## General Meeting

Componenta's supreme decision-making body is the General Meeting. 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 use of the profit shown in the balance sheet, and election of Board members and auditor.

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

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

**In 2014**, the Annual General Meeting was held on 13 March 2014 in Helsinki. At the Annual General Meeting, some 70% of the company's shares and votes were represented. At an Extraordinary General Meeting held on 27 June 2014, some 44% of the company's shares and votes were represented. At another Extraordinary General Meeting held on 5 September 2014, some 76% of the company's shares and votes were represented.

## Board of Directors

The Annual General Meeting elects each year Componenta's Board of Directors, 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 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 15 of the Corporate Governance Code for Finnish listed companies.

The Annual General Meeting decides on the remuneration paid to 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, mergers and acquisitions, 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.

The Board meets when it is convened by the Chairman or, in his 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 corporate governance annually and amends it when required.

**In 2014**, the Annual General Meeting elected the following six members to Componenta's Board of Directors:

- Olavi Huhtala, Executive Vice President and Head of SSAB Europe and President and CEO at Rautaruukki Corporation
- Heikki Lehtonen, President and CEO at Componenta Corporation
- Riitta Palomäki, Chief Financial Officer (CFO) at Uponor Corporation
- Matti Ruotsala, Chief Operating Officer (COO) at Fortum Corporation
- Tommi Salunen, Chairman and Managing Partner at Aava Advisors Ltd
- Harri Suutari, Board professional

The Board of Directors elected Harri Suutari as its Chairman and Matti Ruotsala as Vice Chairman. Olavi Huhtala, Riitta Palomäki, Matti Ruotsala, Tommi Salunen and Harri Suutari are independent of the company and of the shareholders. Heikki Lehtonen is President and CEO of Componenta Corporation. He is also a major shareholder through companies that he controls.

The Board of Directors is presented in more detail in the section [Board of Directors](#).

The Board of Directors met 26 times during 2014. The average attendance rate at Board meetings was 98%. Componenta's General Counsel, Pauliina Rannikko, served as secretary to the Board meetings.

The Board of Directors evaluated its own performance in February 2015 under the leadership of the Chairman.

The Componenta Corporate Governance document was updated at the Board meeting held on 10 February 2015.

## **Board committees**

Componenta has two Board committees: the Audit Committee and the Nomination Committee.

### Audit Committee

After the Annual General Meeting the Board of Directors elects from its members a Chairman and members for the committee, for one year at a time.

All members of the Audit Committee are independent of the company and its major shareholders. In the election of the Audit Committee members, the relevant qualification requirements are taken into account.

The Board of Directors has confirmed a written agenda for the Audit Committee.

The Audit Committee has no independent decision-making power, but the Board of Directors makes decisions based on the work of the Audit Committee. The Chairman of the Audit Committee reports on the work of the committee at the next Board meeting after an Audit Committee meeting. Notice of Audit Committee meetings and the material for the meetings are sent to all Board members, who have the right to attend Audit Committee meetings.

The main tasks and duties of the Audit Committee are to:

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

The Committee regularly evaluates its performance and working practices and assesses these itself once a year.

**In 2014**, the Board of Directors elected Riitta Palomäki to be Chairman of the Audit Committee and Olavi Huhtala and Tommi Salunen as the other members of the committee. The Audit Committee convened five times during the year and the attendance rate was 100%. Componenta's CFO Mika Hassinen served as secretary to the Audit Committee. Componenta's President and CEO, the General Counsel responsible for risk management and the auditors also regularly attended committee meetings.

The Audit Committee evaluated its own performance and working methods of 2014 in February 2015.

## Nomination Committee

Componenta has a Nomination Committee for preparing matters pertaining to the nomination and remuneration of directors. The members of the Nomination Committee represent the major shareholders in the Company.

In the election of the Nomination Committee members, the relevant qualification requirements are taken into account. A majority of the members of the Nomination Committee shall be independent of the Company.

The Nomination Committee prepares and gives the Board a recommendation for the proposal to be made to the Annual General Meeting (AGM) on the members of the Board of Directors.

The main tasks and duties of the Nomination Committee are to:

- prepare the proposal to be made to the AGM concerning the members of the Board of Directors,
- prepare the proposal to be made to the AGM concerning the remuneration of the members of boards of directors,
- look for succession candidates for the members of the Board,
- present the proposal to be made to the AGM concerning the members of the Board of Directors.

**In 2014** the Board of Directors elected representatives of the major shareholders in the company to be members of the nomination committee after it was established, which was considered to be in the best interest of shareholders. Those elected to the nomination committee were Harri Suutari, Heikki Lehtonen, Juuso Puolanne from Suomen Teollisuussijoitus Oy (Finnish Industry Investment Ltd), and Reima Rytölä from Keskinäinen työeläkeyhtiö Varma (Varma Mutual Pension Insurance Company). Heikki Lehtonen is the largest shareholder in the Company and is also the Group's President and CEO, so he is not independent of the Company. The other members of the committee are independent of the Company. The committee elected Harri Suutari as its Chairman.

## **Attendance at Board and Board committee meetings in 2014**

Board member	Member since	Board Committee membership 2014	Attendance		
			Board meetings	Audit Committee meetings	Nomination Committee meetings
Harri Suutari (Chair.)	2012	Nomination Committee (Chair.)	26/26	-	1/1
Ruotsala Matti (V.Chair.)	2012	-	24/26	-	
Lehtonen Heikki	1987	Nomination Committee	26/26	-	1/1
Huhtala Olavi *)	2014	Audit Committee	22/22	4/4	
Riitta Palomäki	2012	Audit Committee (Chair.)	26/26	5/5	
Tommi Salunen	2013	Audit Committee	26/26	5/5	
Marjo Miettinen**)	2004	Audit Committee	3/4	1/1	

\*) Board member as from 13 March 2014

\*\*\*) Board member until 13 March 2014

## **President and CEO**

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

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

Casting Future **SOLUTIONS**

The President and CEO prepares and presents matters for consideration at Board meetings and implements the decisions of the Board of Directors. He reports to the Board of Directors on matters including the Company's financial situation, its business environment and other major matters

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

**In 2014** Heikki Lehtonen, b. 1959, M.Sc. (Eng.), was President and CEO of Componenta. He has been Componenta's President and CEO since 1993.

## **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 directors in charge of the Group's Operations. The Corporate Executive Team convenes regularly, at least once a month. Its key tasks include promoting the achievement of the Group's long-term business goals, the creation of added value and the development of business operations, ensuring the efficiency of operations throughout the Group, developing management practices and promoting common operating models and principles. The Corporate Executive Team is also responsible for preparing and implementing the Group's strategy in accordance with the decisions of the Board of Directors.

**In 2014** Componenta's Corporate Executive Team comprised: President and CEO Heikki Lehtonen; Juha Alhonoja, Senior Vice President, Machine Shop Division; CFO Mika Hassinen; Olli Karhunen, Senior Vice President, Foundry Division; Anu Mankki, Senior Vice President, HR and Internal Communications; Pauliina Rannikko, Senior Vice President, Legal and Risk Management; Furio Scolario, Senior Vice President, Sales and Product Development and Sabri Özdogan, Senior Vice President, Aluminium Division.

In 2014 the Corporate Executive Team focused on implementing the measures in the Group-wide efficiency improvement program, in order to raise productivity and improve profitability.

Information about the members of the Corporate Executive Team and their shareholdings is given on Componenta's website [www.componenta.com](http://www.componenta.com), in the section 'Corporate Executive Team'.

## **Extended Corporate Executive Team**

The task of the Extended Corporate Executive Team is to ensure that the strategic projects and the processes and practices that reinforce the One Componenta way of operating are implemented.

**In 2014** the Extended Corporate Executive Team comprised the Group's Corporate Executive Team and those in charge of business operations and Group-level functions.

## **REMUNERATION OF KEY MANAGEMENT PERSONNEL**

### **Remuneration of Board of Directors and Board Committees**

The Annual General Meeting decides on the remuneration of the Board of Directors and of Board committees. Board members do not participate in Componenta's share-based incentive scheme or pension schemes.

**In 2014**, the Annual General Meeting decided that the Chairman of the Board of Directors be paid an annual fee of EUR 60,000, ordinary Board members EUR 30,000 and members of committees subordinated to the Board EUR 5,000, and that travel expenses be paid in accordance with the company's travel policy.



The total amount of annual fees paid to Board members in 2014 was EUR 245,000.

## Remuneration of the Board of Directors and the Board Committees

Board of Directors 2014		Salaries, fees and fringe benefits, 1 000 e
Suutari Harri	Chairman, Chairman of Nomination Committee	65
Ruotsala Matti	Vice Chairman	30
Huhtala Olavi	member, member of Audit Committee	35
Lehtonen Heikki	member, member of Nomination Committee	35
Palomäki Riitta	member, Chairman of Audit Committee	35
Salunen Tommi	member, member of Audit Committee	35
Puolanne Juuso	Member of Nomination Committee, representing major shareholder, Suomen Teollisuussijoitus Oy	5
Rytsölä Reima	Member of Nomination Committee, representing major shareholder, Keskinäinen työeläkeyhtiö Varma	5
<b>Total</b>		<b>245</b>

## Remuneration of President and CEO and other management

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

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

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

The maximum bonus, linked to financial and personal targets, that is paid under short-term incentive schemes is position-related and, on average, some 40 per cent of a person's annual earnings.

The potential bonus from the long-term share-based incentive scheme for one earning period corresponds to, on average, 30 - 40 per cent of a person's annual earnings.

Members of the Corporate Executive Team are entitled to additional healthcare insurance in addition to the statutory occupational healthcare.

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

## Pension agreements

A supplementary pension worth 6 per cent of their basic annual salary is paid for the Finnish members of the Corporate Executive Team who work in Finland, including the President and CEO.

## Remuneration of the President and CEO, deputy to the CEO and other members of the Corporate Executive Team

2014	Salaries, fees and fringe benefits, EUR 1 000	Bonuses, EUR 1 000	Voluntary pension benefits, EUR 1 000	Benefits paid on termination of employment, EUR 1 000	Share-based payments, EUR 1 000	Total, EUR 1 000
President and CEO Lehtonen Heikki	320	-	63	-	-	383
Deputy to the CEO Mika Hassinen	257	33	38	-	-	328
Other members of the Corporate Executive Team	962	-	41	-	-	1,003
<b>TOTAL</b>	<b>1,539</b>	<b>33</b>	<b>143</b>	<b>-</b>	<b>-</b>	<b>1,714</b>

### Terms of employment of President and CEO Heikki Lehtonen

Salary and fringe benefits	Total monthly salary EUR 25,000, which consists of cash salary and fringe benefits (unlimited company car benefit and telephone benefit).
Short-term remuneration system	The President and CEO does not participate in the short-term remuneration system, which has been taken into account in his long-term remuneration..
Long-term incentive schemes	The President and CEO has been entitled to the Group's long-term share-based incentive scheme.
Pension	The retirement age of the President and CEO is 63 years, and he has a supplementary pension agreement. The agreement includes old age pension after reaching the age of retirement, paid-up pension policy rights if the employment of the insured person is terminated before reaching the age entitling to old age pension as stated in the insurance policy, disability insurance, and life insurance for the duration of the employment, of the paid-up pension policy and of pension. EUR 18,000 was paid to this benefit in 2014. In addition, the President and CEO has a separate pension capitalisation agreement, under which the pension begins at the age of 63 years and ends at the age of 68 years or when the savings in the capitalisation agreement have been used up. The pension capitalisation agreement was made in 2013 and in 2014 EUR 45 000 was paid to the savings under the capitalisation agreement. The Board of Directors confirms the amount of the payment each year. The actual pension is calculated annually by dividing the remaining amount of the savings by the remaining number of months for the pension.
Termination of employment	The President and CEO's contract of employment may be terminated by the company by giving twelve months' notice and by the President and CEO by giving six months' notice. The President and CEO is not entitled to any separate compensation after giving notice or being given notice other than the salary and benefits agreed in the terms of notice and the supplementary pension in accordance with the principles of the paid-up pension policy.

### Remuneration schemes

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

#### Short-term incentive scheme

Short-term remuneration (one calendar year) is based on meeting measurable personal and business targets set for the year.

#### Long-term share-based incentive scheme

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

**For 2014** a share-based incentive scheme was approved for the Group's key personnel. The aim of the scheme is to unite the objectives of shareholders and key personnel in order to increase the value of the



company, commit key personnel to the company, and offer them a competitive reward scheme based on ownership of company shares.

The target group for the incentive scheme are key Group personnel decided on by the Board of Directors.

The scheme contains one earning period, the 2014 calendar year, and the earning criteria for the period is the Componenta Group result after financial items. The size of the bonus earned in the earning period is determined at the end of the earning period by the extent to which the targets set for the earning criteria have been achieved.

Any bonuses for the 2014 earning period will be paid partly in company shares and partly in cash. The portion paid in cash is meant to cover the taxes and tax-related costs arising from the bonus incurred by the key person. The shares may not be transferred during a restriction period of approximately two years. In the event that a key person's employment is terminated during the restriction period, he or she must return the shares given as a bonus to the company without compensation.

The target group for the scheme contained 18 people at the end of 2014. The Board of Directors decided not to allocate shares for the 2014 earning period, so the scheme's impact on the Group's result before tax at the end of 2014 was EUR 0.0 million. The maximum bonuses to be paid on the basis of the incentive scheme corresponded to the value of 400,000 Componenta Corporation shares, including the part to be paid in cash.

## **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 new 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 OMX Helsinki Ltd.

### **Risk management**

The Board of Directors confirms the principles for risk management and those responsible for this. The Audit Committee of the Board of Directors monitors the effectiveness of risk management systems. The President and CEO supervises the implementation of the risk management programme 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, in allocating responsibilities and in monitoring the risks.

The General Counsel is responsible for general development of Componenta's risk management, and the CFO is responsible for development of risk management relating to financial risks.

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 financing 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 Group-level Enterprise Risk Management (ERM) process annually and monitors the major risks to operations regularly. The Senior Vice Presidents of Operations organise ERM processes at operations level annually and report the main results of this ERM process to the Corporate Executive Team. The main risks are identified and evaluated in the ERM process and corrective action is decided on.

**In 2014** the Corporate Executive Team conducted the annual Enterprise Risk Management (ERM) process, identifying and evaluating the risks and deciding on corrective action.

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

## **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 financial and operational reporting is reliable. Control is based on Componenta's values, operating principles, policies and guidelines (the Componenta Way to Operate, the Disclosure Policy and the Code of Conduct). Internal control is part of management, governance and daily operations.

Financial reporting and supervision are based on budgets drafted and confirmed once a year and on monthly performance reporting. Group Accounting is responsible for the financial reporting process and for ensuring that the related instructions are consistent and updated regularly. Controllers at the unit and division level as well as management 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 to 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's Audit Committee regularly on matters pertaining to internal control.

The Audit Committee appointed by the Board of Directors supervises the Group's financial reporting process and monitors the effectiveness of internal control, internal audit and risk management systems, and reports its observations to the Board of Directors.

## **Internal control**

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 Audit Committee, 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. Group Accounting has defined the control measures that cover the reporting process and allocated responsibilities for their implementation.

All operational business units have their own controllers who are responsible for financial reporting in cooperation with the management of the respective unit. The management team for each business unit and division analyses its own financial reports, including volumes, income, 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.

## 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 Audit Committee and to the Board of Directors of Componenta when necessary.

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

**In 2014** Componenta's auditor was Authorised Public Accountants PricewaterhouseCoopers Oy. The responsible auditor was Jan Holmberg. In accordance with the decision of the Annual General Meeting on 13 March 2014, the fees paid to the auditor are based on invoicing. The fees paid to the auditors of Componenta Group's companies, based on the work performed, totalled EUR 1,277,000, comprising audit fees of EUR 416,000 and fees for other services EUR 861,000.

## COMMUNICATION

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

The full Componenta Corporate Governance document, the separate Corporate Governance Statement and the Remuneration Statement are available online at [www.componenta.com](http://www.componenta.com).