



## CORPORATE GOVERNANCE STATEMENT 2016

Aspocomp Group Plc's corporate governance system is based on, and complies with, the legislation in force in Finland, Aspocomp's Articles of Association as well as the working orders of the Board and its committees. The company also complies with the rules, regulations and guidelines for listed companies issued by Nasdaq Helsinki Ltd and the Finnish Financial Supervisory Authority as well as the Finnish Corporate Governance Code published by the Securities Market Association.

Aspocomp's Corporate Governance Statement 2016 has been prepared in accordance with the Finnish Corporate Governance Code 2015. Aspocomp has complied with the Corporate Governance Code recommendations as written and without any deviations.

The company's Board of Directors has reviewed this statement at its meeting on February 13, 2017. In addition, the accounting firm PricewaterhouseCoopers Oy has verified that the statement has been issued and that the general description of the internal control and risk management systems related to the financial reporting process is consistent with the financial statements.

The statement has been issued separately from the Report of the Board of Directors. In addition to being included in the Annual Report 2016, the Corporate Governance Statement is available on the company's Internet site at [www.aspocomp.com/governance](http://www.aspocomp.com/governance).

The Finnish Corporate Governance Code 2015 for listed companies is publicly available from, for instance, the Securities Market Association's website at [www.cgfinland.fi/en](http://www.cgfinland.fi/en).

## GOVERNING BODIES

The administrative bodies of Aspocomp - the General Meeting, the Board of Directors, and the CEO - are in charge of the governance and operations of the company. Aspocomp's highest decision-making body is the General Meeting, where shareholders exercise their right to speak and vote. The Board of Directors is the highest operational decision-making body of the company. The AGM elects the Board of Directors, which in turn appoints the CEO. The CEO is responsible for the operational management of the company in accordance with the policies of the Board of Directors and with the support of the Management Team.

### ANNUAL GENERAL MEETING

Shareholders may exercise their decision-making power at the General Meeting, where they have the right to speak, ask questions, and vote. All of Aspocomp's shareholders have the right to attend General Meetings, as long as they follow the instructions given in the Notice of Meeting. Shareholders may either attend in person or authorize a representative to represent them. Each share carries one vote at a General Meeting.

Aspocomp's Annual General Meeting will be held in Helsinki or Espoo each year on the day determined by the Board, but no later than the end of June. An extraordinary General Meeting may be held if the Board of Directors deems it necessary, or if one is legally required.

The responsibilities of the Annual General Meeting (AGM) are defined in the Finnish Companies Act and the Articles of Association of the company. The most important responsibilities of the AGM include approving the financial statements, deciding on the dividend to be paid, discharging the Board members and the CEO from liability, appointing Board members and the auditor as well as deciding on their fees and amending the Articles of Association when necessary.

#### **NOTICE OF AGM AND PROPOSALS FOR RESOLUTION**

Aspocomp will publish invitations to its General Meetings as stock exchange releases, as well as on its website. In accordance with Aspocomp's Articles of Association, the company will publish the Notice of AGM no earlier than two months and no later than three weeks prior to the meeting. The Notice of AGM includes the agenda, documents and draft resolutions to be submitted to the General Meeting. It also includes the names of those proposed for election as Board members and the proposal for their remuneration as well as the proposal for the auditor. The biographical details of all candidates for the Board will also be published on the company's website.

The Notice of AGM also contains any proposals submitted by shareholders concerning the composition and remuneration of the Board of Directors and the election of the auditor provided that the shareholder who submitted the proposal represents no less than 10% of the votes conferred by Aspocomp's shares and the candidates have consented to the appointment, and that the proposal was submitted to the company in such a manner that it can be included in the Notice of Meeting. Any similar proposals submitted by shareholders representing no less than 10% of the company's shares after the publication of the Notice of Meeting are published separately. In addition, all written proposals submitted to the company before the date of its General Meeting and relating to the items on the agenda of that meeting are presented on the company's website.

#### **SHAREHOLDERS' PROPOSALS FOR ISSUES TO BE ADDRESSED AT THE GENERAL MEETING**

An Aspocomp shareholder has the right to have a matter falling within the competence of the General Meeting under the Limited Liability Companies Act addressed by the General Meeting if he/she submits a demand in writing to the company's Board well in advance so that the matter can be included in the Notice of Meeting. It is the duty of a shareholder to ensure that the matters he/she demands to be addressed at the General Meeting are in compliance with the Limited Liability Companies Act and that they are sufficiently detailed in order for them to be included in the Notice of Meeting and be addressed at the General Meeting.

Aspocomp shall disclose in due time on its website the date by which a shareholder must notify the company's Board of an issue that she or he demands to be addressed at the General Meeting. The date shall be published no later than by the end of the financial period preceding the General Meeting.

#### **ATTENDANCE AT THE GENERAL MEETING**

Aspocomp's Chairman of the Board, all members of the Board, and the CEO are present at the General Meeting. In addition, the auditor is present at the AGM. The prospective members of the Board of Directors who have been nominated for the first time will be present at the AGM that votes on their election. If one or more of these people do not attend, Aspocomp will notify the General Meeting of their non-attendance.

#### **ARCHIVE OF THE GENERAL MEETING DOCUMENTS**

General Meeting documents shall be archived on Aspocomp's website for at least five years. The minutes of the General meeting shall be made available on the company's website within two weeks of the General Meeting.

## BOARD OF DIRECTORS

The Board is responsible for the administration and the proper organization of the operations of the company. The Board appoints and discharges the managing director, approves the strategic objectives and the principles of risk management for the company, and ensures the proper operation and supervision of the management system. The Board also ensures that the company has established the corporate values applied to its operations. Aspocomp's Board of Directors has general authority in matters that have not been assigned to another administrative body in either legislation or the Articles of Association. The general task of the Board is to use its powers to increase the value of the shareholders' holdings in the long run in line with the interests of the company and all of its shareholders.

### ELECTION AND TERM OF OFFICE OF THE BOARD

The Annual General Meeting elects annually all the members of the Board of Directors for a term of one year and decides on their remuneration. As set out in Aspocomp's Articles of Association, the company's Board of Directors consists of three (3) to eight (8) members. The term of office of the Board members ends at the next Annual General Meeting following their election. The Board elects the Chairman and the Vice Chairman from among its members at its organization meeting, which is held after the AGM.

### Board of Directors in 2016

The Annual General Meeting held on April 7, 2016 decided to set the number of Board members at four and re-elected the current members of the Board, Ms. Päivi Marttila and Ms. Kaarina Muurinen, and elected Mr. Matti Lahdenperä and Mr. Juha Putkiranta as new members. The Board re-elected Ms. Päivi Marttila as Chairman of the Board and Ms. Kaarina Muurinen as Vice Chairman.

### PÄIVI MARTTILA

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#### Chairman

b. 1961, Finnish Citizen, M.Sc. (Econ.)

Chairman of the Board, 2014-, member of the Board, 2013 -

Independent of the company and the company's main shareholders, 2013-

**Main duty:** Midagon Oy, Chairman of the Board and Partner, 2016-

**Primary work experience:** Midagon Oy, CEO, 2012-16, Flextronics Group, VP Sales and Marketing, 2005-11, Plamec Oy, CEO, 2002-05, QPR Software Oyj, Director and Founder, 1991-2001.

**Key positions of trust:** Efore Oyj and Midagon Oy, Chairman of the Board, Ixonos Oyj, Vice Chairman of the Board, Kitron ASA and Patria Oyj, Member of the Board.

Holdings in Aspocomp Group Plc on Dec. 31, 2016: 17.474 shares and related parties 12.489 shares

## KAARINA MUURINEN

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### Vice Chairman

b. 1958, Finnish Citizen, M.Sc. (Econ.)

Vice Chairman of the Board and member of the Board, 2015-

Independent of the company and the company's main shareholders, 2015-

**Main duty:** Vaisala Oyj, CFO, 2011-

**Primary work experience:** Nokia Oyj, Vice President, Supply Chain Finance & Control, 2008-11, Vice President, Shared Accounting Services, 2003-08, Director, Financial Services Platform, 1998-2003, Hewlett-Packard Brussels Coordination Center, Accounting Manager, Europe Inventory & Revenue, 1994-98.

**Key positions of trust:** PRH's Auditor Oversight, Member

Holdings in Aspocomp Group Plc on Dec. 31, 2016: no shares

## MATTI LAHDENPERÄ

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### Member of the Board

b. 1953, Finnish Citizen, Lic.Sc. (Tech.)

Member of the Board, 2016-

Independent of the company and the company's main shareholders, 2016-

**Main duty:** OT- Kumi Oy, Partner and Development Manager, 2004-16

**Primary work experience:** RL Vision Tech Oy, Deputy to the CEO, 2002-04, Thermo Radiometrie Oy, Production Manager, Group Manager 1995-2002, Rautaruukki New Technology, Production Manager 1991-95, VTT Oulu, Researcher, 1988-91, Aspo Elektroniikka, Oulu, Production Manager, 1979-88.

Holdings in Aspocomp Group Plc on Dec. 31, 2016: 150.000 shares and related parties 70.011 shares

## JUHA PUTKIRANTA

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### Member of the Board

b. 1957, Finnish Citizen, M.Sc. (Engineering)

Member of the Board, 2016-

Independent of the company and the company's main shareholders, 2016-

**Main duty:** Saafricon Oy, CEO and owner, 2015-

**Primary work experience:** Microsoft Corporation, Corporate Vice President, 2014, Nokia Oyj, Executive Vice President, Operations, 2013-14, Nokia Oyj, Senior Vice President, executive positions, 1997-12, Symbian Ltd, Member of the Board, 1998-01, Hewlett-Packard Corporation, Director of Marketing, Europe and Africa, Electronic Measurement solutions, 1992-97, Siar Oy, consult, 1986-87, Nokia Oyj, various projects, sales & marketing management positions, Information Solutions, 1979-86.

**Key positions of trust:** Familings Oy and Variantum Oy, Chairman of the Board, Bittium Corporation, Nordcloud Oy and 4TS Oy, Member of the Board, Meontrust Oy, Advisor of the Board

Holdings in Aspocomp Group Plc on Dec. 31, 2016: no shares

From March 26, 2015 to April 7, 2016, Aspocomp's Board of Directors had three members, with Päivi Marttila as Chairman of the Board, Kaarina Muurinen as Vice Chairman and Tuomo Lähdesmäki as an ordinary member.

### **PREPARATION OF THE PROPOSAL FOR THE COMPOSITION OF THE BOARD OF DIRECTORS**

The Nomination Committee prepares a proposal to the AGM concerning candidates for the Board of Directors and the remuneration of Board members. If a Nomination Committee has not been established, the Board prepares the proposal.

The procedure disclosed by the company shall not restrict the shareholders' right to make proposals concerning the composition or remuneration of the Board of Directors.

### **COMPOSITION OF THE BOARD**

The administrative body of the company preparing the proposal for the composition of the Board shall take into account the requirements of Aspocomp's operations and the company's stage of development. The primary goal in Board member election is to ensure that a diverse range of capabilities, know-how and experience are represented on the Board so that it can carry out its objectives in the best possible way. A person elected to the Board must have the competence required by the position and the possibility to both devote a sufficient amount of time to the duties and familiarize themselves with the company matters to the required extent. With regard to the duties and efficient operation of the Board of Directors, the Board shall have a sufficient number of directors. The directors shall also have sufficient and versatile expertise as well as mutually complementary experience and knowledge of the industry. Having both genders represented in the Board is one element of a diverse Board composition.

### **DIVERSITY OF THE BOARD OF DIRECTORS**

In order for the Board of Directors to discharge its duties in the most effective manner, the Board must be highly qualified and sufficiently diverse. The diversity of the Board supports the Board in discharging its duties in the most effective manner and corresponds more effectively to the company's business and strategic requirements set by both current and emerging demands. A sufficiently diverse Board also promotes open discussion and independent decision-making. Aspocomp has established principles concerning the diversity of its Board of Directors.

It is important for the diversity of the Board that its members have mutually complementary and versatile expertise. When preparing its proposal for the Board composition, the educational and professional background of the individual candidates, as well as international experience are taken into account so that the Board composition represents a wide variety of competencies and qualifications. In addition, attention will be paid to candidates' sufficient diversity in terms of age distribution, as having different seniority levels on the Board is considered beneficial for ensuring mutually complementary experience. Aspocomp's principle with regard to gender is to have members of both genders represented. The potential candidates are assessed not only in terms of their individual qualifications and characteristics, but also in terms of their openness to innovative ideas and ability to effectively work together and jointly support and challenge the company's management in a proactive and constructive way.

### **Composition and diversity of the Board of Directors in 2016**

In accordance with the proposal made by the Board of Directors, the Annual General Meeting held on April 7, 2016 decided to set the number of Board members at four. All of the Board members hold a university-level degree and the degrees are evenly distributed in economic and technological fields. Some members of the Board have international work experience in different types of positions, and all have worked or are working on the Boards of Directors or in the management of listed or unlisted companies. With regard to age, the members of the Board are divided evenly between 55 and 63 years of age. Both genders are represented on the Board of Directors. Aspocomp has two female Board members out of four members in total.

## INDEPENDENCE OF DIRECTORS

The majority of the directors must be independent of the company. At least two directors who are independent of the company must also be independent of the significant shareholders of the company.

The Board of Directors evaluates the independence of its members annually and the updated evaluation is published as part of the company's Corporate Governance Statement. If factors affecting the independence of a director change during the year, an updated evaluation is published on the company's website. All Board members are obligated to provide the Board with the information necessary to evaluate their independence.

### Independence of Directors in 2016

Based on the evaluation of Board members' independence made in 2016, all members of the Board were determined to be independent of the company and the company's main shareholders. The independence of the members was evaluated according to the recommendations of the Finnish Corporate Governance Code.

2016	Independent of the company	Independent of the main shareholders
Päivi Marttila, Chairman	Yes	Yes
Kaarina Muurinen, Vice Chairman	Yes	Yes
Matti Lahdenperä	Yes	Yes
Juha Putkiranta	Yes	Yes

## WORKING ORDER OF THE BOARD OF DIRECTORS AND THEIR RIGHT TO RECEIVE INFORMATION

In addition to the Articles of Association, Finnish legislation and other regulations, Aspocomp's Board of Directors complies with a Working Order that is available in its entirety on the company's Internet site ([www.aspocomp.com/governance](http://www.aspocomp.com/governance), choose Board -> Working Order). All meetings are documented.

### As set out in the Working Order, the Board of Directors:

- decides on its Working Order and updates it annually, as necessary
- appoints and discharges the CEO and determines his or her salary and bonuses
- approves and maintains a successor plan for the CEO
- approves the appointment of employees reporting to the CEO and decides on the terms and conditions of their employment and remuneration
- approves the corporate structure and the company's organization
- proposes management incentive schemes to the General Meeting, as necessary
- ensures that the company has organized internal control of accounting and financial management as well as to monitor the effectiveness of supervision
- determines the company's long-term objectives and to monitor their implementation
- assess the company's annual action plans
- approves the company's annual financial targets
- reviews, at least once a year, the company's major risks and issues the necessary instructions to manage those risks
- reviews and approves the company's interim reports, Financial Statements and the Board of Directors Report as well as the Corporate Governance Statement
- has a discussion with the company's auditor at least once a year
- make the most important business decisions such as acquisitions, divestitures, major contracts and liabilities, investments and financing arrangements
- determines the strategy of the company and oversees its implementation

- approves the business plan and budget drafted on the basis of the strategy and oversees their execution
- set approval limits for investments and commitments, which cannot be exceeded without the Board of Directors approval
- decides on the dividend policy and prepares a proposal to the AGM regarding payment of dividend
- monitors and manages any conflicts of interest between the company's management, Board members and shareholders
- carries out a self-evaluation of its own work, performance and competence on a yearly basis
- reviews and decides on all other matters that are the business of the Board of Directors according to the Companies Act or other legislation.

Aspocomp ensures that all Board members have access to sufficient information about the company's business operations, operating environment, and financial position, and that new members are properly introduced to the operations of the company.

### PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS

In order to ensure the efficiency and continuity of its work, Aspocomp's Board conducts an evaluation of its operations and working methods annually.

#### Performance evaluation in 2016

The Board carried out an internal self-assessment of its operations and working methods in 2016. The results of this self-assessment are used to develop the Board's working methods. The evaluation focused on the composition of the Board, the organization and effectiveness of the Board as a team, the meeting preparations, cooperation with the CEO, and the competence, special expertise, and efficiency of each director and the Board as a whole. The evaluation also included an assessment on how successfully the Board has operated in relation to the set objectives.

#### Board meetings in 2016

The Board assembled 15 times and the overall meeting participation rate was 100%.

2016	Number of Board meetings attended	Attendance percentage
Päivi Marttila, Chairman	15/15	100%
Kaarina Muurinen, Vice Chairman	15/15	100%
Matti Lahdenperä (as of April 7, 2016)	9/9	100%
Tuomo Lähdesmäki (until April 7, 2016)	6/6	100%
Juha Putkiranta (as of April 7, 2016)	9/9	100%

## COMMITTEES

### ESTABLISHMENT OF COMMITTEES AND APPOINTMENT OF MEMBERS

The Board of Directors may appoint committees to prepare matters to be put before the Board for its decision. The Board elects members and a chairman to an Audit Committee, a Remuneration Committee and/or a Nomination Committee from amongst its members each year after the AGM when needed. Committees will not be established if the extent of the company's business does not require it, in which case the Board itself performs the tasks of the respective committees.



The committees assist the Board of Directors by preparing matters falling within the competence of the Board. The Board remains responsible for the duties assigned to the committees. The committees have no decision-making authority of their own, and the decisions within its competence are taken collectively by the Board.

Each committee must have at least three members. The members of the committee must have the expertise and experience required for the duties of the committee and the majority of the members of a committee must be independent of the company. In addition, at least one member of the Audit Committee must be independent of the company's major shareholders. All meetings need to be documented and the committees need to report on their work to the Board. Minutes of committee meetings are to be submitted to the Board.

The tasks and principles of Aspocomp's Committees are presented in the Working Order of the Board of Directors, which is available on the company's Internet site ([www.aspocomp.com/governance](http://www.aspocomp.com/governance), choose Board -> Working Order).

## AUDIT COMMITTEE

If an Audit Committee is not established, Aspocomp's Board takes care of the mandatory duties of the Audit Committee.

Specific duties have been assigned to the Audit Committee, including:

- overseeing the reporting of the financial statements
- overseeing the financial reporting
- overseeing the effectiveness of the company's internal control and risk management systems
- drafting a description, included in this Corporate Governance Statement, regarding the main features of internal control and risk management, which are connected to the financial reporting procedure
- overseeing the statutory audit of the financial statements and consolidated financial statements
- assessing the independence of the statutory audit and auditing firm
- preparing the proposal for the election of the auditor
- reviewing the accounting principles and IFRS issues.

The tasks of the Audit Committee are specified in full on the company's Internet site ([www.aspocomp.com/governance](http://www.aspocomp.com/governance), choose Board -> Committees).

## Tasks of the Audit Committee in 2016

No committees were established in 2016, as none were required due to the scope of the company's business operations. Instead, the Board attended to the duties of the Audit Committee as set out in the company's Articles of Association. In addition, the Board held a separate meeting to deal with Audit Committee matters, which was also attended by the company's auditor.

## CEO AND MANAGEMENT

### CEO

The Board appoints the CEO and decides the terms and conditions of the CEO's service contract. The President and CEO is responsible for managing and developing the business operations of the company, and for the day-to-day management of the company in line with the Companies Act and the guidelines given by the Board of Directors. In addition, the CEO is responsible for the legality of the company's accounting and reliable organization of the company's financial management as well as ensuring that the company has adequate management resources and that its administration is appropriate. The CEO prepares matters to be handled at Board meetings and reports to the Board. As of May 15, 2014, Mr. Mikko Montonen, M.Sc. (Tech.) has been the President and CEO of Aspocomp Group Plc.



## MANAGEMENT TEAM

The Board of Directors appoints the Management Team members on the proposal of the CEO. The company's Management Team members report to the CEO and assist him by preparing important matters such as strategy and action plans as well as putting them into practice. The Management Team monitors the company's business performance and risk management, as well as reviews investment proposals, business plans and annual plans and incentive programs prior to their submission to the Board. The Management Team holds regular meetings that are chaired by the CEO.

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### MIKKO MONTONEN

#### President and CEO

b. 1965, M.Sc. (Tech.), Finnish citizen

Aspocomp shares and stock-based rights: 90,000 shares and 300,000 stock-based rights (Dec 31, 2016)

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### Mr. JARI ISOAHO

#### Chief Operational Officer

B.Sc. (Eng.), b. 1960, Finnish citizen

Aspocomp shares: 1,000 shares (Dec. 31, 2016)

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### Mr. JOUNI KINNUNEN

#### Chief Financial Officer

Diploma in Business and Administration, b. 1960, Finnish citizen

Aspocomp shares: 24 shares (Dec. 31, 2016)

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### Mr. ANTTI OJALA

#### Vice President, Business Development

M.Sc. (Eng.), b. 1979, Finnish citizen

Aspocomp shares: 3,000 shares (Dec. 31, 2016)

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### Mr. TERO PÄÄRNI

#### Vice President, Sales

b. 1974, Finnish citizen

Aspocomp shares: 15,000 shares (Dec. 31, 2016)

## INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS RELATED TO THE FINANCIAL REPORTING PROCESS

The Board is responsible for the proper and effective arrangement of internal control and risk management. The objective is to ensure that:

- the Board and management receive sufficient and reliable information about the company's financial position, risks impacting on future performance and the implementation of strategy
- the company's external reports are essentially correct, comprehensive and timely
- laws and regulations are followed.

## RISK MANAGEMENT

Risk management is an integral element in Aspocomp's strategic planning and operational goal setting. The task of risk management is to identify, manage and track major risks in the company's business and business environment to enable the company to achieve its strategic and financial goals in the best possible way. Identified risks are assessed and prioritized according to their likelihood and their potential impact on the company's financial performance. Risks that may affect the company's business are categorized as strategic risks, operative risks and financial risks.

When deciding on the company's strategy, the Board of Directors reviews the company's major risks and sets operative goals such that these risks are eliminated or minimized cost-effectively.

Aspocomp's Management Team is responsible for day-to-day risk management. Risk management, processes and methods are discussed regularly at the Management Team meetings. As part of internal control, the achievement of the operative goals set for risk management is assessed and monitored.

## INTERNAL CONTROL

Internal control is an integral part of the company's management and management systems. The objective of internal control is to ensure efficient implementation of the company's strategy and effective operations, assure compliance with internal instructions and laws and regulations as well as to achieve accurate financial reporting and prevent fraud and other misconduct. Internal control is not a separate process, but as part of the company's activities it covers all the company's policies, guidelines and systems.

The Board is responsible for organizing internal control. The CEO takes care of the practical arrangement of the control and reports on it to the Board. The operational principles of internal control are:

- all significant tasks, transactions and meetings, including the decisions made, are documented
- IT and other support systems are used efficiently and appropriately
- information security is arranged properly.

The actual internal control materializes in management processes - in everyday work - as personnel acts based on instructions to reach operative targets. The targets determine the necessary actions and related risks. Instructions are used to steer actions.

Instructions related to the internal control are gathered into two company confidential documents, the former intended for all and the latter for finance staff. The first document, Policies, defines the company's operating policies:

- representation and approval rights
- HR policies and approval of employee benefits
- pricing, payment term and credit policies
- approval procedures for expenses
- instructions for preparing and handling agreements
- instructions for IT usage and IT security
- principles of risk management and insurance coverage.

The second document, Finance Manual, includes:

- accounting instructions
- principles and instructions for management reporting and external reporting
- definition of internal controls in bookkeeping and reporting processes including responsibilities.

Accounting and reporting of the Group's parent company is centralized into one ERP system, which supports the business processes. Foreign subsidiaries' accounting is handled by external accounting firms, taking into account the specific legal and auditing requirements of each country. Each subsidiary submits a monthly report on account-level expenses, which is reviewed and approved prior to their payment.

Reports from the system are used in decision making and control in management and support processes. Several control points are defined at different levels of reporting (subsidiaries, parent company, Group). These controls include approval procedures, reconciliations and analyses of financial information to detect errors and thereby ensure the correctness of the information received from the system.

The Management Team, which is responsible for line operations, and the company's other teams regularly follow all key performance indicators to ensure the correctness of the financial information. On a monthly basis, the Board receives a standard-format profit and loss report as well as a cash flow status report, including both actual and forecast figures.

## OTHER GOVERNANCE

### INTERNAL CONTROL

Due to its size, the company does not have a separate internal auditing organization or specific internal audit tasks. Aspocomp's external auditor takes this into consideration and audited the internal auditing procedures in 2016 in accordance with its audit plan.

### RELATED-PARTY TRANSACTIONS

Aspocomp's related parties comprise the Board of Directors, the President and CEO and the Management Team. Aspocomp evaluates and monitors transactions concluded between the company and its related parties and ensures that any conflicts of interest are taken into account appropriately in the decision-making process of the company. The company reports on transactions concluded between the company and its related parties as required by the Finnish Limited Liability Companies Act and regulations concerning the preparation of financial statements, in the company's Report by the Board of Directors, the notes to the financial statements and interim reports.

Aspocomp shall report the decision-making procedure applied in connection with related party transactions that are material to the company and that either deviate from the company's normal business operations or are not made on market or market-equivalent terms in the Corporate Governance Statement.

### INSIDER ADMINISTRATION

Aspocomp complies with the Market Abuse Regulation (MAR) and its implementing provisions, the legislation in force, Nasdaq Helsinki's Guidelines for Insiders, as well as the instructions issued by the Finnish Financial Supervisory Authority and the European Securities and Markets Authority (ESMA). Aspocomp's Insider Rules have been drawn up in compliance with the above laws and regulations, and also include company-specific clarifications. These Insider Rules have been approved by Aspocomp's Board of Directors and are binding to all personnel.

#### Insider lists

The Market Abuse Regulation ((EU) N:o 596/2014, "MAR") entered into force on July 3, 2016. As a result of the MAR regulation, Aspocomp no longer has public insiders. Furthermore, Aspocomp no longer maintains a permanent company-specific insider register. Instead, project- and event-specific insider lists are kept. Aspocomp maintains an insider list of persons who have access to inside information on the company and who work on tasks, whether on the basis of contracts or otherwise, that provide them with access to such information. The company also maintains a list of all persons in managerial positions and persons closely associated with them. Insider lists are not publicly available.

#### Managers' transactions

As the public insider register was discontinued, Aspocomp's obligation to disclose the transactions of persons in managerial positions and their closely associated persons has changed as of July 3, 2016. Persons in managerial positions and their closely associated persons are obligated to notify both the

company and the Financial Supervisory Authority of any transactions on their own account in the company's shares or debt-based instruments or related derivatives or other financial instruments. Aspocomp is obligated to disclose such a transaction no later than within three (3) working days of the date of the transaction.

The company's Board of Directors, the CEO and the Management Team members are designated as persons with an obligation to disclose their transactions at Aspocomp. Published notifications of transactions by managers and their closely associated persons can be read on the company's Internet site at [www.aspocomp.com/investors/reports/insiders-dealing](http://www.aspocomp.com/investors/reports/insiders-dealing).

#### **Insider control and closed window**

The company monitors that the insider rules are followed and ensures that all persons who have access to inside information recognize the legal and regulatory obligations related to this and are aware of applicable penalties for insider trading and illegal disclosure of inside information.

Aspocomp's Board of Directors, CEO and Management Team members are not allowed to trade Aspocomp's securities for a period of 30 days prior to the publication of the company's financial statement bulletin and interim reports (so-called "closed window"). Trading in the company's financial instruments on one's own behalf or for a third party, whether directly or indirectly, is forbidden during the closed window.

In addition, the company has set a closed window of 30 days prior to the publication of the company's financial statement bulletin and interim reports for the individuals involved in the preparation, drafting and publication of the company's financial reports.

Project-specific insiders are not allowed to trade Aspocomp's securities before the project has been made public or discontinued.

Aspocomp's financial calendar will be published annually in advance in a stock exchange release.

#### **Instructions for reporting on infringements (whistle blowing)**

All persons employed by Aspocomp may report a suspected abuse of regulations and provisions concerning the financial market, including activities in contravention of the insider guidelines of the company and Nasdaq Helsinki Oy, through an independent channel within the company (and anonymously if they wish).

## **AUDITING**

The Annual General Meeting elects one external auditor to inspect the administration and accounts of the company for one year at a time. The auditor must be a public accountant authorized by the Central Chamber of Commerce of Finland.

### **Auditing in 2016**

On April 7, 2016 the AGM elected Authorized Public Accountants PricewaterhouseCoopers Oy as the company's auditor with Authorized Public Accountant Markku Katajisto as the main auditor. Mr. Katajisto has been the main auditor since the 2011 AGM held on April 20, 2011.

<b>Auditing fees</b>	<b>2016</b>	<b>2015</b>
PWC, actual audit	53,525	45,000
PWC, other services	8,724	6,755
<b>Total</b>	<b>62,249</b>	<b>51,755</b>