

ASPOCOMP

Aspocomp Group Oyj

Corporate Governance Code

Version 1.2

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1 GENERAL

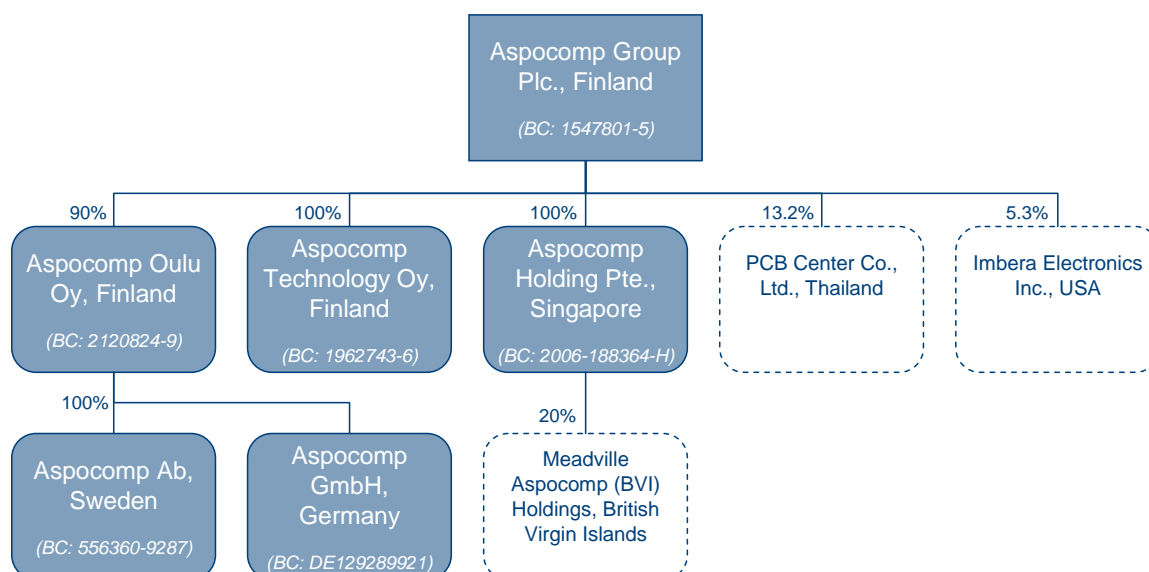
In its decision making and corporate governance, Aspocomp Group Oyj complies with the Finnish Companies Act, Securities Markets Act, as well as the instructions concerning the corporate governance of listed companies issued by the Securities Market Association (Finnish Corporate Governance code). These corporate governance principles were adopted in March 2009 by the Board of Directors of Aspocomp Group Oyj.

By observing the laws in force in Finland, the Company's Articles of Association, and these corporate governance rules, the Board of Directors believes it promotes the appreciation of the shareholders' holdings while protecting their interests and ensuring equal treatment of all shareholders.

2 GROUP STRUCTURE

The parent company of the Group is Aspocomp Group Oyj (hereinafter also referred to as "the Company"), with the General Meeting of Shareholders, the Board of Directors and the Chief Executive Officer (CEO) as its decision-making bodies.

The Company has subsidiaries in Finland and abroad. The parent company is responsible for the Group's administration and investor relations. The group structure and shareholding is described in the below chart.



The parent company and its subsidiaries are separate legal entities in their respective countries. The legal administration, accounting and taxation of each company are executed in accordance with the laws and regulations in force in the company's country of domicile and in compliance with the corporate governance rules established by the Board of the company in question on the basis of these corporate governance principles.

3 GENERAL MEETING

The Annual General Meeting of the Company (AGM) is held annually before the end of June on a date set by the Board of Directors.

The Board of Directors ensures that shareholders receive sufficient information on the matters to be dealt with at the meeting before the Annual General Meeting. The most relevant information shall be given in the Notice of Meeting and additional information may be provided in stock exchange releases. The Notice of Meeting shall be published in a stock exchange release and on the Company's Internet site.

The General Meeting shall be organized in a place and at a time as well as otherwise in a manner that permits shareholders to effectively participate in the meeting.

The CEO, the Chairman of the Board and a sufficient number of members of the Board shall attend the General Meeting. A person proposed as a member of the Board of Directors for the first time shall participate in the General Meeting that decides on his/her election unless there is a well-founded reason for his/her absence.

The AGM is the Group's supreme decision-making body and it assembles once a year. The matters dealt with at the General Meeting are those stipulated in the Companies Act and the Articles of Association. The matters to be decided on by the General Meeting include the following:

- Adoption of the financial statements
- Payment of dividends
- Discharge of the Board of Directors and the management from liability
- Election of members of the Board
- Appointment of auditors
- Remuneration of members of the Board and auditors
- Amendments to the Articles of Association
- Other tasks assigned to the General meeting by the Companies Act.

An Extraordinary General Meeting shall be convened if the Board deems it necessary or if the Companies Act so requires.

4 BOARD OF DIRECTORS

According to the Articles of Association, the Company's Board of Directors consists of three (3) to eight (8) members elected by the AGM for one year at a time.

The Board elects the Chairman and the Vice Chairman from among its members.

The Board shall have a quorum when at least half of the members, including the Chairman or the Vice Chairman, are present at the meeting. The decisions are made by simple majority vote. In the event of a tie, the Chairman of the Board has the casting vote.

The Board complies with Finnish laws and regulations, especially the Finnish Companies Act and Securities Markets Act and regulations based on those Acts. In addition, the Board must follow the rules and recommendations of the Financial Supervisory Authority and the NASDAQ OMX Helsinki Ltd.

The general task of the Board is to increase shareholder value in the long run as well as to attend to the interests of the Company and all its shareholders.

The Board shall assess its work and evaluate its effectiveness annually.

The Board has an Audit Committee, a Remuneration Committee and a Nomination Committee, and elects members to these Committees each year after the AGM. Should

the Board only comprise three (3) members, no committees are established and the Board itself performs the tasks of the respective committees.

The Audit Committee consists of three (3) members who must be independent of the Company. The Board of Directors has ratified rules for the Audit Committee. The tasks of the Audit Committee are set out in its Charter.

The Remuneration Committee consists of three (3) members. The task of the Committee is to prepare for the Board's decision-making the remuneration and incentive schemes of the CEO and the members of the Executive Management Committee.

The Nomination Committee, which consists of three (3) members, prepares the proposals for nomination of Board members and their remuneration to be presented to the AGM.

The proposal regarding the nomination of Board members and their remuneration shall be published in the Notice of the AGM. The results of the Board's assessment shall be taken into account when the Nomination Committee prepares its proposal for the AGM.

In case the number of Board Members is three (3) no Committees are established.

The Board members shall be competent and the majority shall be independent of the Company. In addition, at least two of these independent members must be independent of the major shareholders of the Company. Members must have knowledge of the Company's business, management of listed companies, accounting, risk management, international business, mergers and acquisitions, and corporate governance.

The Board has adopted written rules and procedures for its work (See Appendix 1).

5 CEO

The Board shall appoint the Chief Executive Officer. The CEO's terms and conditions of service shall be specified in writing in his/her contract approved by the Board.

The responsibilities of the CEO are those defined in the Finnish Companies Act and other relevant legislation. The CEO shall manage and oversee the Group's business in accordance with the guidelines of the Board. The CEO's deputy shall exercise the CEO's powers when he/she is temporarily unable to perform his/her duties.

6 COMPENSATION

The AGM decides the remuneration of the Board members. The Nomination Committee reviews annually the form and amount of compensation to Board members and prepares the proposal on their compensation for the AGM.

The Compensation Committee reviews the compensation, including incentive and bonus schemes, of the CEO and the deputy CEO and prepares the proposals on these matters for the AGM.

The company follows so called two up principle in approving compensation issues. This means that compensation and changes in compensation are approved by immediate superior's foreman based on the proposal by the former.

7 AUDITING

According to the Articles of Association, the AGM shall elect one external auditor who must be a public accountant authorized by the Central Chamber of Commerce of Finland.

The proposal for the election of the external auditor is prepared by the Board's Audit Committee and shall be disclosed in the Notice of the AGM. The remuneration of the auditor shall be decided by the AGM.

A regular audit is carried out every year in each Group company, including wholly owned subsidiaries and associated companies. Each company has an auditor appointed by the company's General Meeting of Shareholders. All auditors' reports and other information are at the disposal of the parent company's auditor. The auditors of associated companies work in close cooperation with the parent company's auditor.

The parent company's auditor and the Group management jointly prepare the annual auditing plan for the Group companies. The auditor provides the shareholders with the statutory auditors' report regarding the financial statements of the Group companies and the consolidated financial statements.

The auditor reports to the CEO and Board at least once a year. The auditor participates in the work of the Board's Audit Committee.

8 INTERNAL CONTROL AND RISK MANAGEMENT

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

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

8.1 Risk Management

Risk management has been included in the Group's business strategy and operational goal setting. The Board reviews both annual and longer-term plans. Identifying risks and hedging against them are part of the Group's management system. The target is to eliminate or minimize all significant risks cost efficiently and without limiting the flexibility of the organization. In case elimination or minimization is not practically possible, other means are used to prepare for the realization of the risk.

Risks are categorized into strategic, operative and financial risks. The Company reports the most significant, mainly financial risks in its internet pages as well in interim and annual reports prepared by the Board.

8.2 Internal Control

The Board is responsible for the internal control. Further, the Board is responsible for a proper arrangement of accounting and internal control of financial administration. CEO takes care of practical arrangement of the control and reports it to the Board.. The operational principles of the internal control are:

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

The actual internal control materializes in management processes – in every day work – as personnel acts based on instructions to reach operative targets. The targets determine needed 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 preparation and handling of 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 all group companies is centralized into one ERP system, which supports the business processes. A shop floor level manufacturing execution system is integrated into ERP in real time.

Reports from the system are used in decision making and control in business and support processes. Several control points are defined in the different levels (subsidiaries, group). These controls include approval procedures, reconciliations and analyses of financial information to ensure correctness of the information received from the system.

Management teams responsible for sales and manufacturing regularly follow all key performance indicators to also ensure the correctness of the financial information. The Board receives monthly a standard format profit and loss as well cash flow status report including both actual and estimated figures. Quarterly the Board receives balance sheet, profit and loss, changes in equity, cash flow and selected financial indicators in a report based on IFRS.

The Company does not have a separate internal auditing organization. Internal auditing is partially outsourced to an audit firm. The main auditing themes are decided in connection with the annual auditing plan.

9 INSIDER ADMINISTRATION

The Company complies with legislation on insiders, the Financial Supervision Authority's (FIN-FSA) standards and the recommendations of the NASDAQ OMX Helsinki Ltd, on basis of which the Board has ratified the Company's insider guidelines.

The insider guidelines prohibit permanent insiders, any persons in their custody and any companies, organizations or foundation over which they have control from trading in shares of the Company for two weeks prior to the publication of interim reports and three weeks prior to the publication of financial statements (so called silent period). Silent period ends on the day following the publication of the results. The Company supervises trading of insiders.

According to the guidelines, company's permanent public insiders include the members of the Board, the CEO and her/his deputy, the auditors and her/his deputy, the main auditor and members of the Executive Management Committee.

A non-public permanent company-specific insider register include the Managing Directors of the subsidiaries and other persons designated by the CEO who according their title or duties receive regularly insider information.

In addition to this the Company maintains a project-specific register of insiders if the Company has a ongoing project which if realised is likely to have an effect on the value of Company's stock price. Insiders involved in insider projects may not trade in shares until the project is published by Company Announcement or the project ceases.

Aspocomp instructs and informs its permanent and project-specific insiders with Company's insider guidelines and their duties.

The CEO supervises the guidance and monitoring of the Company's insider guidelines. The Company's Manager of Administration maintains company's permanent and project-specific registers of insiders. Aspocomp's public register of insiders is maintained by Euroclear Finland Oy (former Arvopaperikeskus Oy). The up-to-date details of public insiders' share holdings and trades are on view at Euroclear Finland premises in Helsinki, Finland at the address Urho Kekkosen katu 5 C and on the company's web-site in www.aspocomp.com/governance.

10 APPENDICES

10.1 Appendix 1: Board Working Order

1. Articles of Association

According to the Articles of Association of Aspocomp Group Plc (hereinafter the "Company"), the Company has a Board of Directors (hereinafter the "Board") which consists of three (3) to eight (8) Board Members elected by the Annual General Meeting (hereinafter "AGM") for a term of one year.

The Board elects among itself the Chairman and the Vice Chairman.

The Board constitutes a quorum when at least half of the members including the Chairman or the Vice Chairman are present at the meeting. Board decisions are made by simple majority vote. In case the votes are equal the Chairman of the board has the casting vote.

2. Other Laws and Regulations

The Board has to act according to Finnish Laws and regulations enacted by virtue of such laws, especially according to the Companies Act and the Securities Markets Act and a regulation enacted by virtue of these Acts. In addition, the Board has to comply with the rules and regulations of the Financial Supervisory Authority and the NASDAQ OMX Helsinki Ltd.

3. Board's Tasks

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.

In order to fulfil its general tasks the Board shall

- establish rules and procedures for the Board and update them yearly, if necessary
- appoint and discharge the CEO and determine his or her remuneration
- approve and maintain a plan regarding the successor to the CEO
- approve the appointment of employees reporting to CEO and decide on the terms and conditions of their employment and remuneration
- approve the corporate structure and organization
- decide the operational targets for the CEO and oversee their implementation
- propose to the general meeting the incentive programs for the management when needed
- review, at least once a year, the Company's major risks and the risk management and give needed instructions to manage those risks
- review and resolve on the Company's interim reports and annual financial reports
- discuss at least once a year with the Company's auditor
- approve the strategy of the Company

- approve yearly, on the basis of the strategy, the business plan and budget and oversee its execution
- approve the investment plan and any individual investment of Aspocomp Group Plc or its subsidiary over EUR 25.000
- decide on any credits over EUR 100.000
- resolve on the dividend policy and prepare a proposal for the AGM regarding payment of dividend
- monitor and manage any conflicts of interest between the Company's management, board members and shareholders
- assess on a yearly basis its own work, performance and competence
- review and resolve on all matters which are to be handled by the Board according to the Companies Act and other legislation.

4. The Working Plan

The Board decides on a plan for its work after the AGM. The plan includes:

- a meeting schedule
- the most important items to be considered in specific meetings

When assessing the Board's work before the AGM the Board shall consider if it has acted in accordance with its plan. The Board shall also review the rules and procedures of the Board. The Board shall also evaluate the effectiveness of the Board's work. The results of the evaluation shall be taken into account by the Nomination Committee.

5. Tasks of the Chairman of the Board

The task of the Chairman is to chair the Board meetings and manage the Board's work so that Board's responsibilities are met. The Chairman shall

- ensure that the meetings set out in the meetings schedule are held
- call the Board to extraordinary meetings when necessary
- ensure that the proposals and the supporting material is sent to Board members five (5) working days before the meeting
- approve the agenda prepared by the CEO
- ensure that the minutes of the meeting are taken and that they are signed by the Chairman as well as another Board member appointed by the Board
- be in contact with the CEO and follow up on the management of the Company business operations
- meet with the Board members between the meetings to discuss the Company's business
- be in contact with the Company's shareholders and other stakeholders; and
- be responsible for the assessment of the Board's work.

6. The Board Committees

The Board establishes an Audit Committee, a Compensation Committee and a Nomination Committee and elects members to the Committees each year following the AGM. Should the Board only consist of three (3) members, no committees will be

established and the Board as a whole will perform the tasks of the committees. The committees assist the Board in its work by preparing the matters to be decided by the Board. The Board is accountable for the tasks it has assigned to the committees. The committees do not have a decision making power, instead the Board makes the decisions collectively.

The Audit Committee consists of three (3) members and all members have to be independent from the Company and one member has to be independent of the major shareholders. The members have to possess the necessary competence required by the function and at least one member shall be an expert in the field of accounting or auditing. The rules and procedures of the Audit Committee are set out in Exhibit 1. If the Board does not have an Audit Committee, the Board itself performs the tasks of an Audit Committee.

The Compensation Committee consists of three (3) members. The task of the Compensation Committee is to prepare, for the decision of the Board, the remuneration of the CEO and the members of the Executive Management Committee as well as the incentive programs for the CEO and the Management.

The Compensation Committee also prepares matters relating to the appointment of the CEO and his/her deputy and identifies their possible successors.

The Nomination Committee, which consists of three (3) Board members, prepares the proposal for the election of Board members and their remuneration to be presented to the AGM.

The proposal for Board composition and remuneration shall be published in the notice of meeting for the AGM.

The results of the Board's assessment shall be taken into account when planning the proposal of the Nomination Committee.

The Board members shall be competent and the majority shall be independent from the Company and at least two of the Directors representing this majority need to be independent from the major shareholders of the Company. Members must have know-how at least in the following areas:

- the Company's business area
- experience in the management of a publicly listed company
- accounting
- risk management
- international business
- mergers and acquisitions
- corporate governance.

The Committees shall keep minutes of their meetings and report to the Board of their work. The minutes of the meetings of the Committees shall be delivered to the Board.

7. The Board of Directors' Procedures and Decision Making

The Board of Directors makes decisions at the Board meeting on matters pertaining to it. The Board meeting may be held by means of telephone or other ways of communication should the urgency of the matter or another equivalent reason call for it. During the decision making process the Board members shall be granted the opportunity to

communicate with each other. Unless otherwise decided by the Board, a Board meeting shall be held on average monthly on the day decided by the Board. A Board meeting may also be held at another time, should the Board so decide or if a Board member or the CEO so requests. The chairman of the Board calls the meeting to order together with the secretary of the Board and the CEO. The notice of meeting and the meeting material shall be delivered to the Board members, if feasible, at the latest five days prior to the meeting.

If a member of the Board of Directors is unable to attend a meeting, he shall notify his absence without delay to the chairman of the Board or to the secretary of the Board.

The CEO is primarily responsible for the preparation and presentation of matters to be considered by the Board. The CEO is also responsible for providing the Board with sufficient information to assess the Company's and its subsidiaries' business, financial situation and other matters on the agenda.

A member of the Board or the CEO shall not participate when an agreement between him/her and the Company is being discussed. The Board member in question or the CEO shall notify the Board about her/his incompetence due to the likelihood of bias.

Minutes of Board meetings shall be drawn up and the attendance, decisions and possible dissenting opinions shall be recorded in the minutes. The minutes are drawn up by a secretary appointed by the Board. The minutes are approved at the next Board meeting and they are signed by the secretary as well as the chairman of the Board and the scrutiniser of the minutes, who has been appointed by the meeting. The minutes are numbered sequentially through a calendar year.

The CEO is responsible for the execution of the decisions, oversees their implementation and reports any deficiencies or problems that she/he discovered to the Board.

8. Information on the Members of the Board of Directors

The Board of Directors shall provide the Company with related party or other information that has been regulated to be recorded in a register in accordance with the Securities Markets Act and the Companies Act, as well as information mentioned in the Finnish Corporate Governance Code.

Furthermore, a member of the Board shall provide the Board with sufficient information for the assessment of his/her independence and notify the Board about any upcoming changes that he/she is aware of. The Board shall evaluate on a yearly basis the independence of its members in relation to the Company and its major shareholders and define who of them shall be regarded as affiliated.

10.2 Appendix 2: Audit Committee Charter

1. The Purpose of the Committee

The Audit Committee's primary purpose is to assist Aspocomp Group Lpc's ("the Company") Board of Directors by managing the following matters:

- the oversight of the reporting of the financial statements
- the oversight of the financial reporting
- the oversight of the effectiveness of the Company's internal audit, a possible internal audit check and risk management systems
- the description, included in the report of the Company regarding its administrative and control system, regarding the main features of internal control and risk management, which are connected to the financial reporting procedure
- the oversight of the statutory audit of the financial statements and the consolidated financial statements
- the assessment of the independence of the statutory audit or the auditing firm and in particular of the non-audit related services provided to the company being audited
- the preparation of the proposal regarding the election of auditor
- the review of the accounting principles, IFRS matters
- interim reports
- risk management
- review of currency risks
- principal tax issues
- review of significant and unusual business transactions.

2. Committee Meetings

The Chairman calls an Audit Committee meeting at least quarterly. The invitation and agenda is sent to the meeting participants as well as the other members of the board.

The Committee shall meet quorum when at least the Chairman and one other Committee member is present.

In addition to the Committee members and the secretary, the Company's CEO and auditor participate in Committee meetings.

The Committee has the authority to conduct investigations in all matters within its scope of responsibility.

The Chairman of the Committee signs the minutes of the meeting together with the secretary. The minutes are thereafter delivered to the members of the Board of Directors. The Committee regularly reports to the Board of Directors about its work.