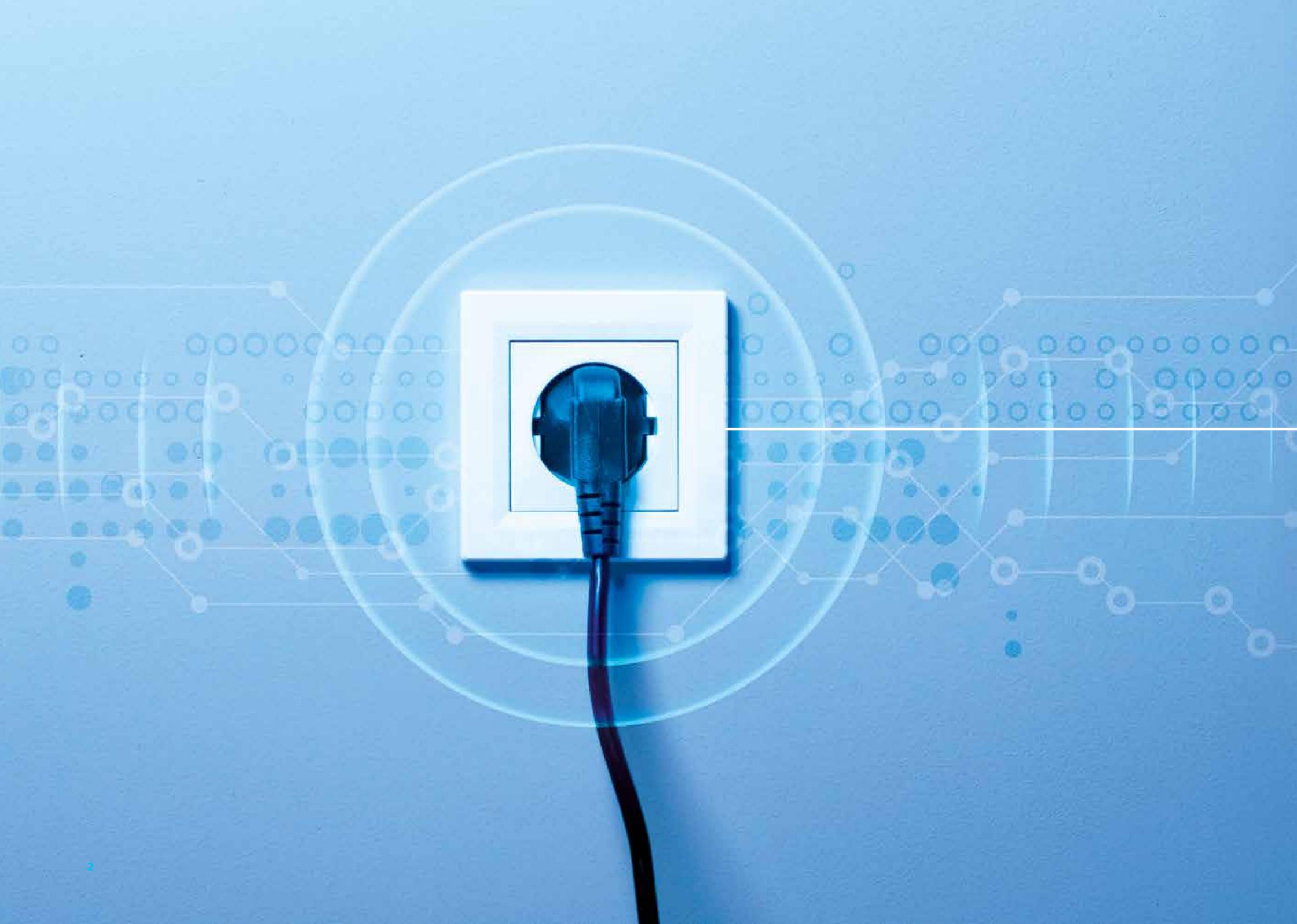




KUUSAKOSKI

FINANCIAL STATEMENTS 2020



FOLLOW THE LEADER

THE RECYCLING OF ELECTRICAL AND ELECTRONIC EQUIPMENT HOLDS HUGE POTENTIAL BOTH IN TERMS OF REUSE AND AS A SOLUTION TO THE GLOBAL RAW MATERIAL SHORTAGE. UNDER KUUSAKOSKI'S LEADERSHIP, EQUIPMENT AND MATERIALS ARE GIVEN NEW VALUE THAT CONTINUES THEIR LIFE CYCLE. SAFELY AND RESPONSIBLY.

The amount of waste electrical and electronic equipment (WEEE) is growing faster than any other waste stream. All electrical equipment, including equipment that runs on batteries or solar power, is covered by WEEE recycling legislation when taken out of service. Over the next decade, approximately 82 kilos of e-waste will be produced per person.



WEEE (Waste from Electrical & Electronic Equipment) = e-waste

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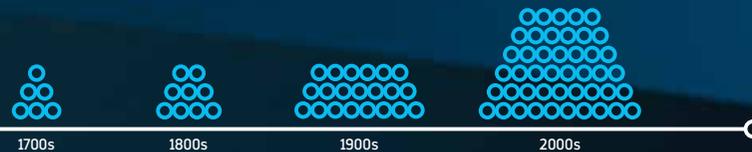


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SHOW TIME

DEMAND FOR RAW MATERIALS IS GROWING ALL THE TIME, BUT THE WORLD'S NATURAL RESOURCES ARE LIMITED

In order to function normally and continue to develop, modern society needs countless electrical and electronic devices that use almost all known elements. However, there is only a limited amount of the key raw materials. In the future, the focus of recycling will be on developing reuse and the efficient separation of different materials.



The consumption of raw materials has changed radically over the past few centuries. In the 18th century, lead, coal, iron, zinc, tin and copper were mostly used, whereas today nearly all known elements are utilised. At the same time, the number of different material combinations is increasing, making recycling ever more complex.

Source: UNEP: Metal Recycling - Opportunities, Limits, Infrastructure



An enormous amount of usable raw materials is tied up in the world's e-waste. Nevertheless, a significant proportion of electrical and electronic equipment is not recycled.



Even though electric cars can help reduce CO₂ emissions, the manufacture of batteries requires a huge amount of rare earth metals, for example.



Recycling rare earth metals is challenging due to their low concentrations and the complexity of the materials.



From an environmental point of view, the best option is to minimise the amount of waste and keep the materials in circulation for as long as possible. **The priority system of the EU's Waste Framework Directive, i.e. the waste hierarchy**, primarily aims to reduce the amount and harmfulness of waste generated. All suitable products must be recycled for use as such or as components – if this is not possible, the materials should be recycled as secondary raw materials. The last options are energy recovery and the safe disposal of the remaining waste. Kuusakoski's core competence is to identify and separate equipment and the materials it contains so that they can be recycled as efficiently as possible.

FULL POWER

THE NUMBER OF DIFFERENT MATERIAL COMBINATIONS IN EQUIPMENT IS GROWING ALL THE TIME

Dismantling material combinations and separating vanishingly small concentrations into a recyclable form requires continuous research and the development of new technologies. Kuusakoski is constantly seeking new methods to improve the recovery of different materials. **More efficient recycling** is the key to reducing environmental impacts and increasing the availability of recycled raw materials.



The average European household has 72 electrical appliances, 11 of which are broken or not used.*



Recycled materials are constantly changing, so processing techniques must also evolve accordingly.



E-waste contains up to 69 of the 118 known elements.*



In a circular economy, the value of products and materials is maintained for as long as possible by utilising them as efficiently as possible throughout their life cycle. In order to function, the circular economy needs not only innovation but also the will and action of decision-makers, manufacturers and ordinary consumers.

*Source: Global E-waste Monitor 2020

CLEARLY THE BEST

INDUSTRIAL RECYCLING IS A
FINELY TUNED OPERATION AND IS
CLEARLY THE BEST WAY TO SOURCE
THE RAW MATERIALS NEEDED

METALS CAN BE RECYCLED ALMOST ENDLESSLY

i Using recycled metals saves energy up to **95%**

i Almost **100%** of materials from recycled electrical and electronic equipment can be reutilised.

i Manufacturing plastic products from recycled plastic requires **66%** less energy compared to using virgin raw materials.

i If e-waste is not processed properly, the materials it contains can cause significant health and environmental problems.

NO GREENWASHING

Kuusakoski's production facilities and operating methods comply with strict environmental requirements. The certified process ensures that substances harmful to humans, water, soil or air are properly handled and environmental impacts are minimised at all stages. At Kuusakoski's new reject plant in Finland, the recovery of waste materials is state-of-the-art. Only a small percentage of unsuitable industrial waste is left over at the end of the process, and this is directed to Kuusakoski's own final disposal area, which complies with strict environmental requirements.

Electrical and electronic equipment may contain harmful substances



Using recycled metals in the manufacture of new products significantly saves energy and reduces CO₂ emissions compared to using virgin raw materials.

Aluminium	95 %
Copper	85 %
Steel	62-74 %

ISO 9001	ISO 14001	ISO 45001	ⓘ
e-Stewards	OHSAS 18001	AATF	Cenelec



Using recycled materials as industrial raw materials saves energy and reduces environmental and climate impacts. However, where and how the recycling is done is equally important. International waste shipment agreements have sought to ensure that recycled materials are handled responsibly and that, for example, equipment or waste containing harmful or hazardous substances is not transported to third countries.

TWO WAYS TO BOOST RECYCLING

RECYCLING CAN BE DONE IN TWO WAYS

According to the waste hierarchy, the primary recycling option for end-of-life equipment is **reuse** – either as such or as components. If the device is obsolete or not worth repairing, its **materials can be recycled**. In this case, the recycled materials are used for new products.

Approximately 10% of the world's gold is used in the manufacture of electronics. Ore mining and grinding always have significant environmental impacts.



REUSE IS WORTH IT BECAUSE THE MANUFACTURE OF A NEW SMARTPHONE PRODUCES ALMOST 90 KILOS OF WASTE.

MATERIAL RECYCLING SAVES NATURAL RESOURCES; A SMARTPHONE CAN CONTAIN UP TO 40 DIFFERENT ELEMENTS.



The greatest demand in terms of reuse is for IT equipment; for example, business computers, monitors, smartphones and tablets can be reused by consumers and for educational purposes. The wider reuse of other electrical and electronic equipment is hampered by technical obsolescence and the affordability of new equipment.



In material recycling, the idea of a circular economy is realised according to which existing products and materials are utilised for as long as possible. When materials contained in non-reusable equipment are recycled, they gain new value as raw materials. It is also important for the environment that harmful substances are sent for appropriate processing. The recycling of different plastic grades still poses challenges, the solving of which will also be the focus of future investments by Kuusakoski.

REUSE AT THE PRESS OF A BUTTON

Recycling for reuse extends the life cycle of IT equipment and makes it available to new user groups. Secure processing and data erasure are prerequisites for reliable reuse. Reuse also helps to find new users for existing devices, either according to the original use of the product or as components, in accordance with the EU's WEEE Directive.

i Approximately 60,000 IT devices, components and peripherals are recycled through Kuusakoski annually.

i Memory containing devices are data sanitised.

i Kuusakoski's reuse process is as data-secure as crushing.



The lifespan of professional computers can be extended by reusing them in schools, for example. Refurbished smartphones are in high demand in the consumer market.

NEW LIFE FOR TOP EQUIPMENT

It is worth refurbishing functioning IT devices for reuse. As the service life of the device is extended, the environmental impact of the raw materials, manufacturing, packaging and transportation needed for a new product is reduced. IT equipment that is no longer used by companies is ideally suited for use by schools, for example, allowing more diverse educational opportunities for more and more people. Reusable IT equipment is in high demand in the European market.



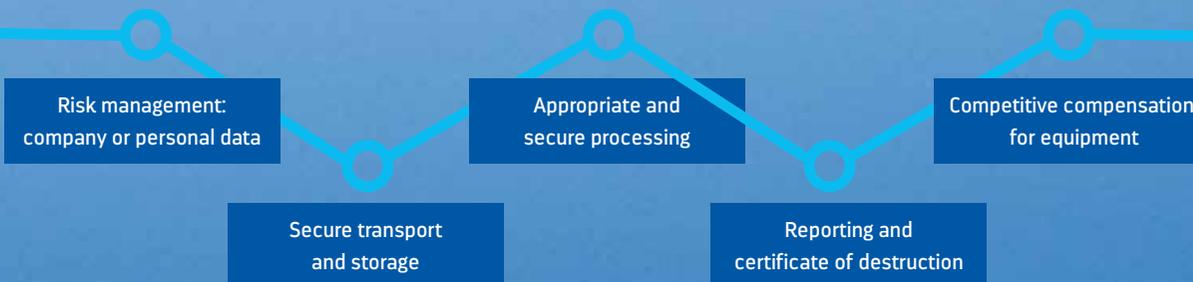
Data overwriting, the erasing of electronic data, by Kuusakoski meets the requirements of even the most demanding customers.

Kuusakoski can supply a report covering the erasure and security processing of each individual device.

INFORMATION SECURITY IS A MATTER OF TRUST

Clearing the hard drive of a used IT device and destroying data is critical to prevent user data from falling into the wrong hands. In addition to security processing, the equipment is tested, serviced and refurbished before being resold. At Kuusakoski, the entire service chain is carefully monitored and documented. Kuusakoski's information security service also complies with the strictest requirements of customers within government agencies. As part of this comprehensive service, Kuusakoski is responsible for the secure transport of equipment, data erasure and recycling.

A TRUSTWORTHY AND COMPREHENSIVE SERVICE:



Did you know?

Kuusakoski's information security service also takes care of materials other than electrical and electronic equipment. The destruction of sensitive information also covers, for example, paper, textiles, vehicles, prototypes and packaging.

MATERIAL RECYCLING

FIRST-CLASS RAW MATERIALS

Electrical and electronic equipment that is not suitable for reuse or parts is sent for recycling. In addition to base metals and dozens of elements, e-waste contains such materials as glass and various plastics. The recycling process involves managing countless details, in which manual sorting and disassembling improves the recovery of some materials and the profitability of recycling.



Equipment from consumers, companies and industry alike ends up as recycled raw materials, so the range of equipment is large. A recycling project can consist of a set of computers, X-ray equipment or an entire data centre that can take days to dismantle.



Before recycling, hazardous or noxious substances such as batteries, fluorescent tubes and radiation sources are removed from the equipment. This multi-stage processing results in high-quality recycled raw materials that are sold to various industries.

PREPROCESSING

Harmful substances are removed and sent to a hazardous waste facility for processing.

MANUAL DISASSEMBLY

Easily removable, valuable components are separated for recycling.

CRUSHING

Waste electrical and electronic equipment is crushed using the most suitable crusher for the material, after which the materials can be easily separated.

SEPARATION

Different metals and other materials are separated from the crushed material, for example by means of magnets, electrical conductivity and airflow.

Recycled raw materials are sold to the metal industry, for example to copper smelters and steel mills. Industrially produced secondary raw materials, such as aluminium ingots manufactured at Kuusakoski's Heinola plant, are tailored according to the production requirements of each customer with precise raw material concentrations.

BATTERIES are removed already during preprocessing. Lithium-ion batteries contain several elements, the most important being cobalt, a rare element that is also found in Finland. Batteries are delivered to a partner for recycling.

SPEAKERS mainly contain copper and aluminium. Copper is sent to a copper smelter, where it is sold as a recycled raw material for cable production, for example.

KEYBOARD FRAMES are made from plastic that can be melted and reused as a raw material for new plastic products, such as buckets.

KEYBOARD BODIES are made from aluminium and plastic. Recycled aluminium is suitable as a material for beverage cans, for example.

HARD DRIVES are small components that contain all the data on the device. The circuit board of an SSD hard drive contains various valuable metals. Circuit boards are sent to a copper smelter for recycling.

WIRES contain mainly copper.

FRAMES consist of an alloy containing large amounts of aluminium and small amounts of plastic.

KEYBOARDS contain mainly plastic.

MOTHERBOARDS are the most valuable part of computers and control their functions. The circuit boards and processor in the motherboard contain copper and precious metals. The materials are separated at a copper smelter, which supplies secondary raw materials to the electronics industry, for example.

MEMORY MODULES provide the short-term RAM of a computer. These circuit boards contain a lot of precious metals, as does the **WIFI TRANSMITTER**.

This **SCREEN** is a thin and light LCD (Liquid Crystal Display). LCD screens require special processing. Newer and larger devices have LED displays.

FANS are electric motors that contain pure copper that is sent to a copper smelter.

BASE PLATES contain plastic and aluminium, the amount of which varies according to the price category of the device.



Materials with a positive value – such as metals – have always found their way to recycling. Electronics have been recycled to some degree for as long as they have existed. In the early years of recycling, there were few materials, but they were of very high quality and contained large amounts of metals. Electrical and electronic equipment containing large quantities of precious materials, such as large central processing units, were particularly valuable.

2000s

At the beginning of the new millennium, the amount of electronics in households is increasing. Computers and especially monitors begin to flow into WEEE recycling. Kuusakoski expands rapidly and makes several acquisitions related to the recycling of electrical and electronic equipment.

In the 21st century, legislation has addressed many shortcomings, such as the use of harmful substances in electrical and electronic equipment and international shipments of waste.

2005

Kuusakoski prepares for the introduction of the producer responsibility system in Finland, Sweden and the Baltic countries. Kuusakoski's Baltic subsidiaries prepare for the challenges posed by the EU's recycling directives after they join the EU in May.

In Finland, the directive enters into force in 2005. Kuusakoski plays a very strong role in setting up the national system.

1980s

The amount of recycled equipment at the time is small and equipment with a low material content is likely to end up in landfills. Equipment sent to Kuusakoski for recycling includes mainframe computers, telephone exchanges and banking terminals from large corporate headquarters. In Finland, Kuusakoski tests disassembling to determine the material content of the equipment and possible processing solutions.

1990s

In the early 1990s, as the amount of electrical and electronic equipment increased, Kuusakoski begins to actively seek solutions for their recycling. Producer responsibility begins to be discussed in Europe, but it eventually takes more than a decade to materialise.

2003

The EU's WEEE Directive is adopted, marking a major step towards recycling e-waste. Member States have to set up a free collection system for consumers to increase the recycling and reuse of electrical and electronic equipment. The legislation also sought to recycle equipment with negative value whose materials do not have a market value as scrap.

2008

Kuusakoski is the market leader in the recycling of electrical and electronic equipment in Finland, Sweden and the Baltic countries.

The European waste hierarchy defined in the WEEE Directive marks another major step forward for recycling. The waste hierarchy aims to reduce the use of limited natural resources.

1. Reduce the amount and harmfulness of waste

2. Reuse

3. Recycle

4. Recover as energy

5. Final disposal

2009

Kuusakoski begins operations in the USA by establishing a joint venture in Philadelphia specialising in the recycling of electrical and electronic equipment.

During this time, the Group also introduces reuse operations.

2011

Kuusakoski strengthens its position in the US electronics recycling market, which holds huge amounts of materials and growth opportunities. Kuusakoski establishes a joint venture with Vintage Tech Recyclers, an award-winning electronics recycling company.

2010

The Kuusakoski recycling group is joined by the joint venture SWEEEP Kuusakoski, one of the leading recyclers of electrical and electronic equipment in Great Britain.

2016

The EU's General Data Protection Regulation (GDPR) is adopted and enters into force in 2018. The importance of data security is emphasised in the recycling of electrical and electronic equipment.

Kuusakoski launches a seamless secure data destruction service that ensures the destruction of materials in accordance with the new requirements.

2021 >

The safety of the recycling service will be further emphasised in the coming years. The Internet of Things (IoT) enabled by digitalisation is becoming increasingly widespread, also in everyday devices. With smart devices and wireless control, passwords and personal information on WiFi networks can soon be found not only on a smartphone or computer, but also on the memory circuits of electrical devices controlled by them, such as surveillance cameras, washing machines, coffee makers or home appliances. Accordingly, there is a clear need for Kuusakoski's secure recycling solutions also in the future.



THE FUTURE OF RECYCLING REQUIRES CONTINUOUS DEVELOPMENT



The year 2020 will go down in history as one that truly shook up the world. The impacts will be far-reaching. The role of recycling in managing material flows will be further strengthened. The awareness and mindset of consumers are driving product manufacturers to make even greater use of recycled raw materials. Consequently, the quality requirements for recyclable materials are constantly being refined.

With the electrification of society, the demand for precious metals will increase significantly in the coming decades, and the current stocks of raw materials will not be enough to cover these needs. Recycling must develop globally. More precise ways of separating materials must be developed so that reusable raw materials can be returned to circulation.

Problem areas related to the recycling of waste electrical and electronic equipment often cross the news threshold in the media. For example, information security is an issue that concerns both consumers and businesses, as equipment is increasingly delivered – according to the waste hierarchy – for reuse. At the same time, processing facilities have been found in Africa that also use child labour, raising questions about the state of recycling in Europe. It has been shown that equipment sent for recycling from the Nordic countries is also processed in these rudimentary conditions. This indicates that our industry still has a long way to go to ensure that the level of operations meets the requirements of the future.

At Kuusakoski, we are investing in the development of material separation technologies, and we are doing our part for responsible and sustainable development. We are working with our customers and authorities to develop operating models throughout the industry. Only in this way can it be guaranteed that industry will be able to make full use of recycled raw materials in the manufacture of its products.

Mikko Kuusilehto
CEO
Kuusakoski Oy



A YEAR OF CHANGE ACCELERATED THE RENEWAL OF FOUNDRIES

When I sat down for dinner in January 2020 in Suzhou, China, with a local management team, I could not have imagined what the coming year had in store. Within a few days, we went from normal life to the era of COVID-19: face masks and fever monitoring were introduced at the factory, and soon Wuhan was closed altogether. In retrospect, the rapid development of the situation in China was incredible. When I returned to Finland, I lived as if in two realities as I followed the situation in both China and Finland.

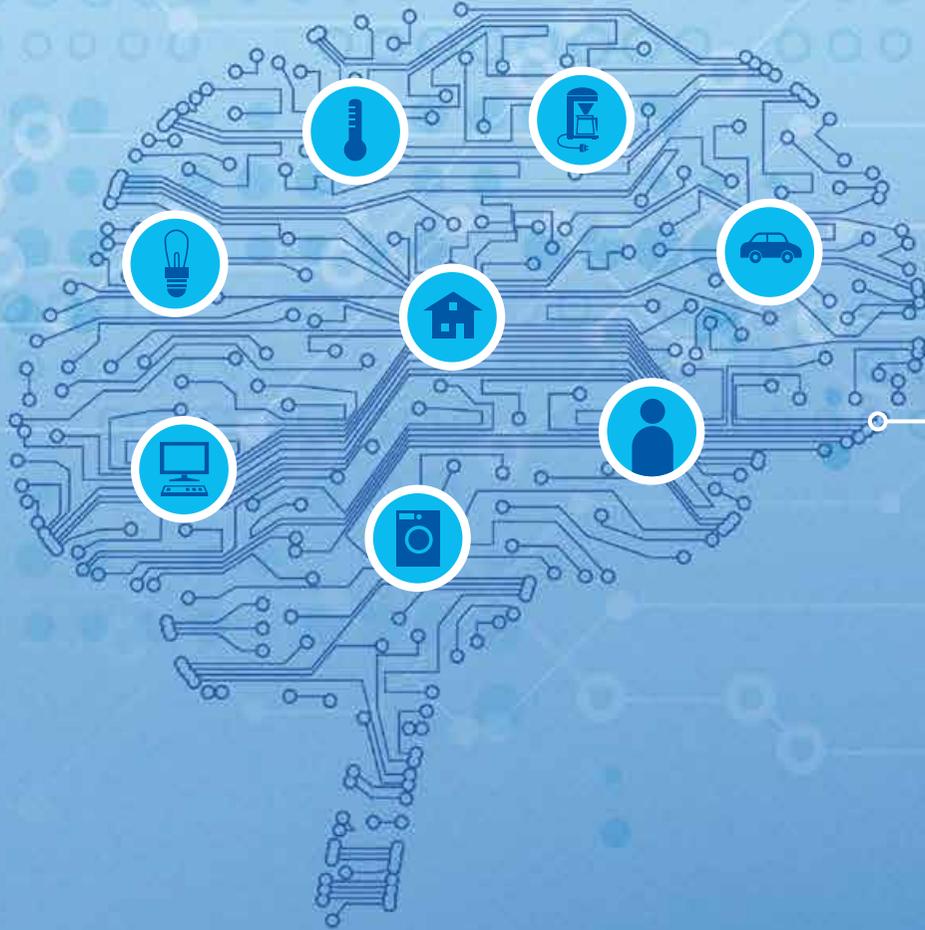
Thanks to our connections to China, Alteams has acted proactively in terms of corona guidelines, and our procedures were also replicated in our other units. With the exception of China, our other plants remained in operation throughout the year. Our employees at Alteams are really committed. Even though we faced many other challenges in addition to corona, all key employees have remained with the company.

The corona crisis accelerated the downsizing of a strong central support organisation in Finland and elsewhere. It has been vital that our plants are able to succeed on their own when access to outside assistance has been cut off. We want to transfer responsibility for technical expertise and development work strongly to our plants. It has been great to see that this change has been successful and responsibility is being taken locally.

After a few weaker years, Alteams is now in good shape – restructuring has been made, costs have been adjusted and the outlook, especially in India and Poland, is very positive. In India, Alteams' largest customers are in the truck industry, where business is doing well thanks to the many infrastructure projects underway in the country. In both Poland and India, a new kind of enthusiasm can be seen in the customer base, which is drastically decentralising its manufacturing capacity as a result of the corona crisis. There is talk about the so-called "Made outside China" trend. Especially in the communications network segment, large customers have manufactured almost everything in China. The closure of the country demonstrated that it is not worth relying on a single manufacturing unit. Time will tell how long the impacts will last, but we believe that demand will grow at our Polish and Indian plants – and that this will also be positively reflected in Finland.

Before corona, I spent 150 days a year visiting our plants and customers in different countries and continents. The imposition of travel restrictions has been a big change for both myself and our entire organisation. It has been great to see that things can be managed remotely as well. However, remote connections are no substitute for an onsite presence and casual coffee table conversations. The best way to get a feeling for the situation, moods, level of motivation and possible conflicts within the organisation is by being present. I am therefore looking forward to the moment when face-to-face meetings will once again be possible.

Asko Nevala
CEO
Alteams Oy



REPORT OF THE BOARD OF DIRECTORS 2020



Kuusakoski Group comprises the recycling company Kuusakoski Oy, the foundry company Alteams Oy, and the property companies Jokirantakiinteistöt Oy and Kiinteistö Oy Lahden Norokatu 5. The parent company of Kuusakoski Group is Kuusakoski Group Oy, which is owned in its entirety by the Kuusakoski family. Kuusakoski Oy and its subsidiaries form the recycling group and Alteams Oy and its subsidiaries the foundry group.

Group's financial result

Kuusakoski Group posted revenues in 2020 of EUR 486.5 million, which is 6% less than in 2019 (517.5 million in 2019, 610.8 million in 2018). Despite the decline in revenues and the challenges posed by the coronavirus pandemic at the beginning of the year, the Group's result clearly improved from the previous year due to strict cost control, a higher degree of processing in the recycling business and stronger prices for recycled material towards the end of the year. The consolidated operating result was EUR 9.9 million (-1.3 million in 2019, 11.4 million in 2018) and the net result for the financial period after taxes was EUR 4.8 million (-6.9 million in 2019, 3.5 million in 2018). The return on investment (ROI) was 5.5% (-0.7% in 2019, 2.9% in 2018).

Revenues from recycling operations accounted for approximately 85% of the Group's revenues.

Financing and capital expenditure

Kuusakoski Group's cash flow from operating activities before investments totalled EUR 31.9 million (14.3 million in 2019, 37.6 million in 2018) and after investments EUR 24.5 million (-6.0 million in 2019, 20.0 million in 2018). The amount of working capital tied to Group activities decreased by approximately EUR 10.4 million compared to the previous year.

The Group's investments totalled EUR 9.3 million (20.3 million in 2019, 17.5 million in 2018), which represents 1.9% of revenues (3.9% in 2019, 2.9% in 2018). An exceptionally large investment programme aimed at increasing the degree of processing was carried out in the recycling group in 2018–2019. The year under review saw a return to a lower level of investment, which was also partly due to the uncertainty caused by the coronavirus pandemic. Investments in the foundry business focused on merging the operations of plants and new production processes, as well as on basic repairs and modernisations of existing machinery.

The Group's liquidity remained good. The total amount of the committed revolving credit facilities remained at EUR 50 million (50 million in 2019). These revolving credit facilities in their entirety were unused at the end of the year under review. In November 2020, Kuusakoski Recycling signed its second EUR 10 million sustainable development revolving credit facility agreement, the objectives of which contribute to supporting sustainability work. The Group had no short-term commercial papers issued at the end of the year under review.

The Group's equity ratio at the end of the year under review was 43.7% (42.9% in 2019, 42.8% in 2018). The net gearing ratio was 22.8% at the end of the year (41.7% in 2019, 30.8% in 2018). The amount of net liabilities decreased during the year under review by EUR 22 million and amounted to EUR 28 million at the end of the year.

The parent companies of the groups owned by Kuusakoski Group are responsible for their own financing in accordance with the Treasury Policy of Kuusakoski Group. The Treasury Department of Kuusakoski Oy monitors the implementation of the Treasury Policy throughout the entire Group.



Personnel

At the end of the year under review, the Group had 1,796 employees.

	2020	2019	2018
Finland	540	582	617
Outside Finland	1,256	1,454	1,799
Total	1,796	2,036	2,416

The number of personnel decreased by 65 in the recycling group and by 175 in the foundry group. The decrease in the number of personnel was mainly due to the sale of the Russian business unit in the recycling business and the adjustment measures taken by the foundry business in China and Finland.

The total sum of salaries, wages and rewards paid to personnel during the year under review in Kuusakoski Group was EUR 58.2 million (62.8 million in 2019, 65.7 million in 2018).

Risks and risk management

The aim of the Group's risk management is to identify the most significant risk factors related to operations and to manage risks in such a way that the Group's strategic and financial objectives are achieved.

Based on a risk assessment carried out in 2019, the most significant risks in the recycling business are fires, risks connected to metal prices, risks related to personnel and production processes, rapid changes in the operating environment and the general global economic trend. The spread of the coronavirus during the year under review and the sudden changes in the operating environment resulting from its containment measures posed challenges for risk management on several fronts. However, the group has for the most part been successful in its risk management measures, mainly by looking after its financial results and cash flow without compromising health and safety.

The recycling group's management regularly monitors its risk management action plan and insurance cover. Insurance is used to cover all the risks that are appropriate to manage for financial or other reasons through insurance policies. A risk management policy has

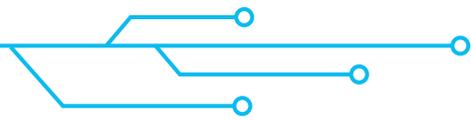
been defined for the recycling group and approved by the Board of Directors that is used to manage risks connected with its business operations, personnel and financing. This policy was updated during the year under review. Currency and metal derivatives that are used to hedge against risks are measured at their fair value, and the fair value is recorded as a gain or loss.

The key elements of the risk management policy for the foundry group are the identification, assessment and minimisation of business-related risks. The goal of this policy is to help anticipate threats and opportunities and thereby ensure business continuity.

The foundry group has a few large customers on which it is relatively dependent. The development of possible substitute manufacturing technologies and materials is actively monitored. The group operates internationally and its business involves financial risks arising from exchange rate fluctuations, which it seeks to hedge against by means of forward foreign exchange contracts or other similar instruments.

The impacts of the coronavirus pandemic on the Group's operations remain difficult to assess. Accordingly, the coronavirus is a major uncertainty factor.

RECYCLING GROUP



Kuusakoski Oy and its subsidiaries form the recycling group.

Market situation and business performance

The year under review was marked by the instability in the business environment caused by the coronavirus pandemic, which peaked during the second quarter. Despite the challenging situation, the recycling business was able to operate more or less normally despite periodic regional challenges. The global demand for recycled materials continued, although demand declined and recovered at different rates in different regions. The decline in industrial activity and regional restrictive measures in our supply markets made it challenging to source materials, which resulted in lower collection volumes than in the previous year.

Concerns over the coronavirus pandemic caused a sharp drop in global market prices in March-April. Prices and demand for metals strengthened significantly towards the end of the year. At the end of the year, prices of ferrous scrap and copper were higher than they have been for a few years. Global market prices for metals increased due to higher demand, the reduced availability of materials and the return of investors to the market. On average, however, metal prices during the year under review remained at almost the same levels as in 2019.

The revenues of the recycling group amounted to EUR 415.2 million, which is 4.6% less than in the previous year (435.1 million in 2019, 517.6 million in 2018). The decrease in revenues was affected by the reduction in the amount of materials being recycled. Despite the decline in revenues, the profitability of the recycling group improved by EUR 9.2 million in terms of operating profit. The main reasons behind this improvement in profitability included the successful management of inventory and risks during the year under review and the structural changes and investments in further processing implemented in previous years, which provided security and added value to material deliveries during the year under review. In addition, profitability improved due to the strong improvement in demand and prices that began in the middle of the year. The operating profit in 2020 amounted to EUR 14.6 million (5.4 million in 2019, 12.0 million in 2018), which represents 3.5% of revenues (1.2% in 2019, 2.4% in 2018).

The return on investment (ROI) was 4.4% (0.4% in 2019, 4.3% in 2018). The result for the financial period before appropriations was EUR 10.5 million (2.0 million in 2019, 6.2 million in 2018), which represents 2.5% of revenues (0.5% in 2019, 1.2% in 2018). The net result was EUR 1.6 million (-2.6 million in 2019, 0.1 million in 2018), which includes EUR 8.9 million in group contributions to other group companies (4.6 million in 2019, 6.1 million in 2018).

In addition to the company's traditional metal and WEEE (Waste Electrical and Electronic Equipment) recycling operations, the focus areas for investments continued to be growing and developing business operations and recycling services that are independent of changes in metal prices in accordance with its strategy. Kuusakoski continues to develop services for key customers and its processing chain in both the Finnish and international markets.

In Finland, the profitability of recycling operations clearly improved from the previous year and the effects of the coronavirus pandemic were moderate. The investments in further processing that were made in 2018–2019 were integrated into production during the first half of the year, which improved the profitability of the Finnish business. Finland retained its central position in terms of generating results in the recycling business.

In Sweden, the result from the recycling business improved significantly compared to the previous year. This was due to the good operating conditions in the domestic market and the measures taken to enhance the competitiveness of the Swedish business unit.

In Estonia, Kuusakoski's result was negative. The reason was tighter competition in the local sourcing market, which was due to the decrease in recyclable materials in the market.



In Great Britain, Kuusakoski Ltd, which specialises in processing stainless steel in Sheffield, continued to strengthen its collaboration with customers in accordance with its strategy. As in previous years, the company posted a positive result. The operating result of the WEEE joint venture SWEEP Kuusakoski Ltd in Kent was positive, as in the previous year, even though the company was operating at lower capacity for months due to corona restrictions.

In the USA, Kuusakoski focuses on WEEE recycling. The business environment in the USA remained challenging due to corona restrictions. The operating result in the USA improved over the previous year. However, it remained negative in 2020, although the company's operating result, measured at the EBITDA level, turned positive in the second half of the year.

R&D, environmental protection, and occupational health and safety

The primary goals of Kuusakoski's research and development activities are the efficient and responsible recovery of recycled raw materials and clean and high-value end products. In 2020, the focus of R&D projects included material and process information and quality assurance related to the commissioning of the new reject plant, developing separation processes for multi-metal fractions, and the management of harmful substances in material flows.

External research collaboration was carried out in such areas as solving the challenges posed by plastics in waste electrical and electronic equipment. Extensive test runs were carried out in vehicle recycling with further research conducted in collaboration with other actors in the value chain. In cooperation with various functions within Kuusakoski, the reporting and monitoring of carbon dioxide emissions was initiated to improve our own operations and measure the importance of recycling for reducing carbon dioxide emissions.

The activities at Kuusakoski's own R&D centre in Lahti, Finland, were expanded in 2020. Records were again broken in the amount of material data and analyses produced. The operations of Kuusakoski's R&D unit were further developed by applying for accreditation for the R&D centre, and a formal decision was received in spring 2021.

Despite the exceptional year, monitoring of emissions and environmental impacts continued normally by means of water, air emission and noise surveys.

Kuusakoski's long-term development of occupational safety continued in 2020. The proactiveness of employees in reporting safety deficiencies and helping to prevent accidents increased significantly. In terms of the number and frequency of accidents, an impressive improvement was achieved in Finland. Compared to the previous year, the frequency of accidents leading to absences was halved and amounted to 13.8 at the end of 2020. Much attention was paid

again to improving fire safety. The number of actual fires throughout the network of service locations was halved compared to the previous year. Investments in initial firefighting equipment and employee safety training continued throughout the year.

At the end of 2020, scheduled external audits for operations in Finland were conducted for the ISO 9001 quality management system and ISO 14001 environmental management system. At the same time, the OHSAS 18001 occupational health and safety management system was updated to comply with the new ISO 45001 occupational health and safety management system. Internal audits of environmental, occupational health and safety, and quality management systems were conducted according to schedule.

Changes in group structure

The Russian subsidiary AO Petromax was sold to a local recycling operator during the year under review. As a result of the transaction, Kuusakoski no longer has any business units in Russia.

The decision was taken in 2018 to dissolve the Swedish joint venture KS Recycling Ab. The dissolution of KS Recycling Ab was completed in 2020. The company no longer conducted business operations during the year under review.

Employees do meaningful work in Finland

Work is a major part of people's lives, and the meaningfulness of work is of great importance. In autumn 2020, Kuusakoski employees in Finland participated in an employee satisfaction survey, and their responses clearly emphasised the meaningfulness of their work. They gave Kuusakoski an average rating of 4.8/5 for doing meaningful work.

Scrapping premium scheme launched in Finland at the end of the year

The Finnish Government is promoting emission reduction targets by introducing a new scrapping premium that supports private individuals in purchasing a new, low-emission car. Compared to the rest of Europe, Finland drives old cars – the average age of scrapped cars is about 20 years. The previous scheme in 2018 was significant for all parties, and it was also reflected in the increase in the volume of cars being scrapped by Kuusakoski.



Gnuttli Carlo Group awards Kuusakoski

The Gnuttli Carlo Group in Italy awarded Kuusakoski as the best supplier of its light metal division in 2019. The Gnuttli Carlo Group is a global leader in the development and supply of severe-duty and high performance valve train and fuel injection components. Kuusakoski's aluminium plant supplies recycled aluminium alloys to its long-term customer's die-casting production in accordance with exact requirements.



Metal recycling campaign with the Estonian Ministry of the Environment

Kuusakoski AS organised a scrap metal campaign in collaboration with the Estonian Ministry of the Environment towards the end of the year. Other participants in the campaign were the Estonian Automotive Recyclers' Association and BLRT Refonda. During the campaign, end-of-life vehicles were collected for recycling free of charge. Over a two-week period, Kuusakoski AS collected 132 end-of-life vehicles from all across Estonia. The service was praised especially by residents of sparsely populated areas, for whom it is often difficult to deliver a car for recycling.

Kuusakoski sells subsidiary in Russia

Kuusakoski's Russian subsidiary AO Petromax in Moscow was sold to the Russian recycling company JSC Akron Holding in July. The subsidiary's 50 employees transferred to the new owner. As a result of the transaction, Kuusakoski Recycling no longer has any subsidiaries or associated companies in Russia. Operations in Russia focus on sourcing recycled material, from where it is exported to the group's other locations for processing.

ISO 9001 completes certification of Finnish operations

ISO 9001 quality certification was extended to all of Kuusakoski's Finnish operations in January 2020. The quality certification was previously valid at the Heinola aluminium smelter. All Finnish operations also have an ISO 14001 environmental certificate and an ISO 45001 occupational health and safety certificate.

Recovery plant becomes first in Finland to be granted prior informed consent

The Finnish Environment Institute granted the Kuusakoski service point in Espoo, Finland, prior informed consent for the recovery facility. As a result, precious metal-containing liquids, slurries and catalysts can be imported from abroad for processing with lighter processing of applications. Kuusakoski is the first waste processing company in Finland to apply for prior informed consent and is currently the only recovery plant with such authorisation in the country.



Alteams Poland receives technical approval for IATF 16949 standard

Developed by the world's leading automakers, IATF 16949 is a quality management standard for the automotive industry that is important especially in the context of global sourcing processes. Following audits by DNV GL, Alteams Poland's quality management system received technical approval for the IATF 16949 standard. After 12 months of manufacturing automotive products, the Polish plant can now be granted actual IATF 16949 certification.

SWEEEP Kuusakoski participates in nationwide recycling campaign

Consumers are the largest customer group of SWEEEP Kuusakoski in Great Britain. Nevertheless, as many as 48% of citizens are unaware that electrical and electronic equipment can be recycled. SWEEEP Kuusakoski's recycling plant, employees and expertise were utilised in a nationwide awareness campaign on waste electrical and electronic equipment funded by the UK's producer responsibility organisations.

Watch the HypnoCat campaign video on YouTube >



Chatbot proves to be a popular service channel in Estonia

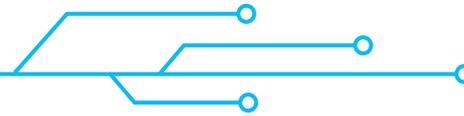
Kuusakoski Estonia launched a chatbot on its Facebook page and website in 2019. By the end of 2020, more than 8000 people had already talked to the chatbot and found the services and information they were looking for. Chatbot has proven to be a great customer service channel that provides instant answers to the most common questions.

Development of occupational safety produces good results in Sweden

The development of occupational safety within Kuusakoski has produced very good results in Sweden in recent years. The number of safety observations increased by almost 200 percent in just one year. The LWI (Lost Workday Injury) rate, the number of accidents leading to absences, fell from 8 to 1 compared to the previous year.

Alteams Finland discontinues production at the Ruovesi unit

Alteams Finland Oy transferred operations in Ruovesi to the Loppi plant in summer 2020. The aim of combining operations is ensure that the company's long-term investments in sand casting operations can be allocated as productively as possible.



Alteams Oy and its subsidiaries form the foundry group.

Market situation and business performance

Restrictions imposed due to the coronavirus pandemic resulted in a loss of production at the Chinese plant for almost a month in February and later a two-month shutdown at the plant in India. In addition, general customer demand weakened during 2020 as a result of the pandemic.

The revenues of the foundry group decreased by 11.7% in 2020 compared to the previous year and amounted to EUR 74.6 million (84.5 million in 2019, 96.3 million in 2018). The decrease in revenues came from the communications network segment, while sales in the electric vehicle and industrial applications segment remained at the previous year's level. During the year under review, a large number of customer approvals related to the manufacturing process of new products was obtained and mass production of related products started. The decrease in revenues from the communications network segment was due to the postponement of customer project schedules and a sharp decline in demand in the second quarter. The company's plants faced major challenges responding to the changing needs of customers. Deferred 5G product projects are expected to increase revenues from 2021 onwards.

Extensive cost structure efficiency measures were implemented in all units, and despite the decrease in revenues, the group's operating loss decreased compared to the previous year and amounted to EUR -4.3 million (-6.5 million in 2019, 0.2 million in 2018). The result before appropriations and taxes was EUR -5.0 million (-8.6 million in 2019, -1.4 million in 2018). The group's net result was EUR 3.5 million (-4.4 million in 2019, 3.2 million in 2018). The net result includes a Group contribution of EUR 8.7 million (4.3 million in 2019, 5.3 million in 2018).

The decline in volumes in the communications network segment impacted especially the **Chinese** plant, due to which fixed operating costs were cut significantly. It was decided to move tool manufacturing to the same premises as the foundry during 2021. The introduction of the automotive industry's quality standards progressed according to plan.

In Finland, the operations in Ruovesi were transferred to the Loppi plant in order to improve and ensure the profitability of sand casting operations. In addition, the Jyväskylä office was closed and financial and administrative functions transferred to the Laihia unit. Other office employees in Jyväskylä worked remotely from home.

In Poland, the number of customers and products continued to grow, although more slowly than anticipated. A significant number of new products entered mass production. Uncertainty caused by the

coronavirus pandemic weakened demand from automotive customers starting from the second quarter. As a result of cost cuts, the company's profitability developed positively during the year under review, but it remained operationally unprofitable due to low volumes. The introduction of the automotive industry's quality standards progressed according to plan also in Poland.

In India, the group's joint venture posted weaker sales and profitability compared to the previous year, mostly due to the coronavirus pandemic. Demand began to pick up again towards the end of the year.

Research and development

As in previous years, waste heat management played an important role in several R&D projects.

New methods for attaching cooling fins and casting components with even thinner walls were developed. This research work is important in order to make products lighter and improve cooling.

The foundry group's management system is based on international quality standards (ISO 9001 and TS 16949), and its environmental management system is based on the ISO 14001 standard. The group's plants in Laihia, Finland, and India are certified in accordance with the automotive industry's IATF 16949 standard.



KUUSAKOSKI GROUP PROSPECTS FOR 2021

Regarding the recycling group, the market situation is expected to remain favourable, with demand and price levels remaining at a good level. However, the coronavirus pandemic that continues to prevail at the time of signing the financial statements is causing uncertainty in the operating environment and the outlook for 2021. Likewise, the unpredictability in the global economy and politics poses challenges for the year ahead.

The recycling group will continue to take measures aimed at improving added value, boosting sales of recycling services and managing working capital. Serving key customers, digital services, risk management and occupational safety will also continue to play an important role in 2021. On the whole, the company's profitability is expected to be at a good level in 2021.

Regarding the foundry group, both demand and profitability are expected to develop positively in 2021 compared to the year under review. As a result of the implemented cost structure efficiency measures, the group's profitability has clearly strengthened. The overall economic impact of the coronavirus pandemic on operations depends on the scale and duration of the pandemic and cannot be accurately assessed at this stage.

PROPOSAL OF THE BOARD

The distributable funds of Kuusakoski Group Oy amount to EUR 105.5 million, of which the net loss for the financial year accounts for EUR -2.1 million. The Board of Directors proposes to the Annual General Meeting that the distributable funds be used as follows:

For payment of a dividend of EUR 60.00 per share	EUR 3.6 million
To be retained in shareholders' equity	EUR 101.9 million
Total	EUR 105.5 million

In addition, the Board of Directors requests authorisation from the Annual General Meeting to decide on a maximum additional dividend of EUR 60 in the second half of the year should the Board of Directors consider that the company's earnings forecast, market outlook and liquidity allow it.

No significant changes have occurred in the company's financial position after the end of the financial year. The company's liquidity is good, and in the view of the Board the proposed distribution of funds does not risk the company's financial standing.

ORGANISATION, MANAGEMENT AND AUDITOR

The Members of the Board elected by the Annual General Meeting on 9 June 2020 comprise **Olli Vaartimo, Veikko Kuusakoski, Mariella Kuusakoski-Toivola, Lauri Peltonen, Johan Kronberg** and **Arno Pelkonen**. **Tapio Kuusakoski** and **Tiina Orasaari** have served as deputy members. **Olli Vaartimo** has served as Chairman of the Board.

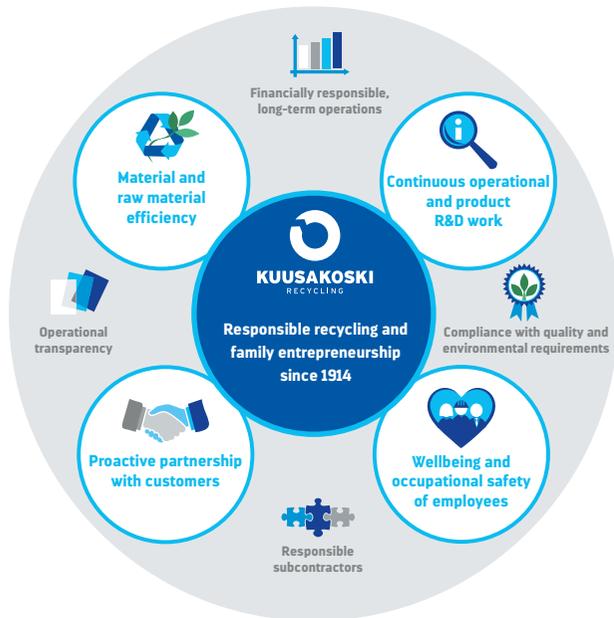
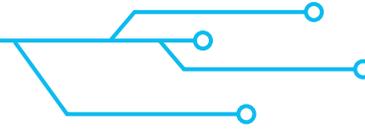
Authorised Public Accountants KPMG Oy Ab has acted as the company's regular auditor and Authorised Public Accountant **Jukka Rajala** as the responsible auditor. **Veikko Kuusakoski** has served as President of Kuusakoski Group Oy.

Espoo, 7 April 2021

Olli Vaartimo, Chairman of the Board
Veikko Kuusakoski
Mariella Kuusakoski-Toivola
Lauri Peltonen
Johan Kronberg
Arno Pelkonen

CORPORATE RESPONSIBILITY

Responsibility and sustainable development are an integral part of Kuusakoski's business. All our operations are based on Kuusakoski's values, code of conduct and continuous interaction with our stakeholders. Our management system is certified in accordance with the ISO 9001, ISO 14001 and ISO 45001 standards.



Kuusakoski's recycling operations process recycled raw materials from end-of-life equipment and materials that are then delivered to industry throughout the world.

Our responsibility work is guided by the issues that our stakeholders consider important. In our corporate responsibility materiality analysis, we addressed the key aspects of responsibility in terms of our business and strategy. We classified them into four main categories:

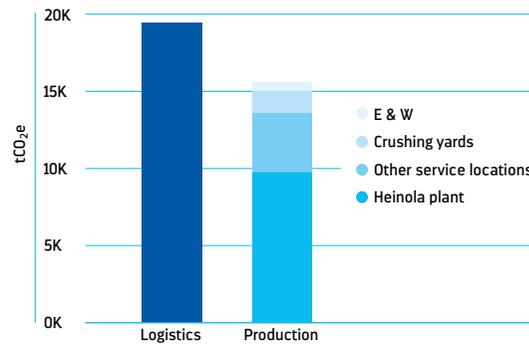
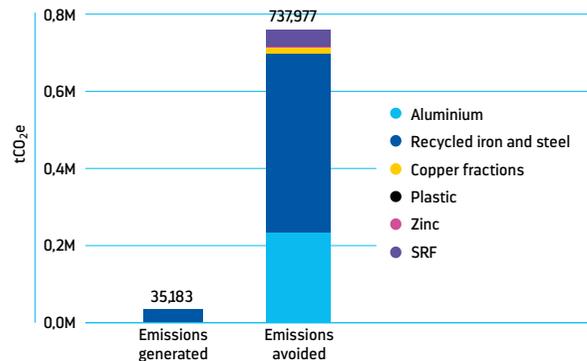
1. **Material and raw material efficiency**
2. **Continuous operational and product R&D work**
3. **Wellbeing and occupational safety of employees**
4. **Proactive partnership with customers**

We engage in continuous dialogue with our customers, employees, suppliers, authorities and the local neighbourhoods in which we operate. At the same time, we monitor the growing impact of the circular economy and the development of legislation that affects our customers and our industry.

The European Green Deal for 2019-2024 is the EU's new growth strategy. It aims to make the EU the first climate-neutral continent by 2050. The circular economy plays a key role in this programme by promoting the efficient and sustainable use of resources and biodiversity. The efficient use of recycled materials will continue to grow in importance in the coming years.

Kuusakoski continued along its path of sustainable financing by renewing the EUR 10 million revolving credit facility (RCF) tied to sustainability targets. These sustainability targets involve the frequency of accidents at work and the utilisation rate of materials delivered to the recycling chain. The RCF is a continuation of Kuusakoski's commitment to sustainable financing based on the Green Business Loan signed in 2019 and the RCF for sustainable development. The objectives of these financing agreements support responsible business.

In 2020, Kuusakoski compiled a roadmap that defines the targets of responsible operations for the coming years. A corporate responsibility programme will be completed in 2021, and a corporate responsibility management system will be integrated into the company's strategy in 2023.



Kuusakoski's operations prevented 737,977 tonnes of CO₂e in Finland. This amount corresponds to the annual emissions of around 300,000 passenger cars.



Material and raw material efficiency

The core competence of Kuusakoski's recycling business is the efficient and environmentally friendly reuse, recycling and recovery of materials. The efficient and safe processing of end-of-life materials and equipment requires a high level of technological expertise and continuous R&D work.

The utilisation rate of materials delivered to Kuusakoski in 2020 was 94.7% in Finland and 96.0% in Sweden. The company also handles the final disposal of materials in an environmentally friendly and highly professional manner. This is important to keep in mind, as the recycling of many materials also leaves residual waste in the form of rejects that must be taken care of in a controlled and environmentally friendly manner.

In 2020, Kuusakoski clarified the carbon footprint in the form of CO₂ emissions generated by its own operations in Finland. It is clear that the collection, transport and handling of materials generate CO₂ emissions. At the same time, however, it is important to note how much Kuusakoski's recycling business reduces environmental impacts. Our operations generate significant emission reductions for our customers when they replace virgin raw materials with recycled raw materials or fossil fuels with biofuels and recycled fuels.



Continuous operational and product R&D work

The amount of material data and analyses produced at Kuusakoski's R&D centre in Lahti, Finland, reached a new record level in 2020. More than 950 different samples of recycled materials were processed, and thousands of analyses were produced from the samples using a variety of methods. In particular, fractions generated at the reject processing plant in Heinola were examined, and a new monitoring programme was launched in connection with the management of these fractions.

During the year under review, Kuusakoski participated in nine different R&D project entities. The themes of these projects included the production and management of material and process information for various recycling processes, development opportunities for operations and new investments, and continuous quality control.

In 2020, a new two-year research project was launched in collaboration with other companies, authorities and research institutes in the field. The project focuses on such areas as plastics from waste electrical and electronic equipment (WEEE) recycling. The objectives of the project are to develop plastic recycling and the recycling business and to increase the recycling and recovery rates of fractions while ensuring that potentially harmful substances are removed from the material cycle.

The operations of Kuusakoski's R&D unit were developed by applying for accreditation (proof of competence) for the R&D centre. Accreditation is a procedure based on international criteria for verifying the competence, accuracy and comparability of the centre's activities. An extensive accreditation project was successfully completed, and a formal decision was received in spring 2021.



Wellbeing and occupational safety of employees

Kuusakoski's daily operations are based on professional, committed and responsible employees who produce the best customer experience in the industry. We systematically invest in the occupational wellbeing of our employees, in the continuous improvement of occupational safety, in their development at work, and in the successful work of their supervisors.

Occupational wellbeing

The active promotion of occupational wellbeing is carried out together with our occupational healthcare, occupational pension company, insurance company and other partners. Through this cooperation, we regularly monitor the wellbeing of employees and invest in the proactive management of occupational wellbeing.



In the Työvire employee satisfaction survey in Finland, employees gave Kuusakoski top points for doing meaningful work.

During the corona pandemic, we increased communication with employees and regular dialogue between supervisors and team members, including weekly meetings and remote coffee breaks.

All possible work tasks were transferred to remote work. In the summer, we conducted a survey among employees working remotely, according to which their remote work had gone well and they were satisfied with the remote management of their supervisors. Towards the end of the year, we conducted a short Työvire employee survey, according to which many areas that were under development had improved; 96% of the employees who responded to the survey felt that Kuusakoski was doing meaningful work.

Developing skills

Biannual development discussions are part of our performance management approach. Over the past year, more than 90% of our employees had discussions about their wellbeing, success, development and targets. These development discussions help ensure that Kuusakoski's strategic goals are translated to personal activities in order to achieve these goals. In addition, an annual company-level employee and training plan is drawn up at Kuusakoski that is reviewed together with shop stewards.



Lost workday injury frequency (LWIF) trend at Kuusakoski in Finland, 2017-2020.

Continuous development of operations

Kuusakoski's vision is that as many employees as possible want to develop the company. In autumn 2020, we turned employee initiatives into ideas (safety, development and energy saving ideas) by drawing up new playing rules and introducing a new tool for contributing ideas. Everything is visible to everyone in the system, including how the ideas are being processed. Employees are regularly informed about the number of ideas and the amount of rewards paid for these contributions.

Promoting equality

All employees are treated equally, for example in terms of recruitment, pay and development at work. Kuusakoski's goal is to keep employees as diverse as possible in terms of competence, work experience, different age groups and different employee groups. This will help meet the requirements of our various business functions and strategic objectives for the coming years. The implementation of equality at Kuusakoski is monitored annually together with shop stewards, and employees are also asked about the matter.

Occupational safety

Kuusakoski's systematic and long-term work on improving occupational safety continued in 2020. The proactiveness of employees in helping to prevent accidents increased for the fourth year in a row, and the number of safety observations increased by 20%. The trend in the number of accidents and the accident frequency was also extremely positive. The lost workday injury frequency (LWIF) was reduced to less than a half compared to the previous year. In Finland, the accident frequency rate, i.e. the frequency of accidents leading to absences per million working hours, was 13.8 in 2020 (28.7 in 2019). The corresponding figure in Sweden was 3.2 (13.4 in 2019).

The percentage of absences due to sick leave in Finland and Sweden was lower than the industrial average. The percentage of absences due to sick leave in 2020 was 3.6% in Finland and 4.6% in Sweden.



Proactive partnership with customers

Kuusakoski's customer service has been developed to become even more proactive. Long-term work in various working groups and strong research work in our own field enable a service in which customers recognise that their problems have been solved in advance. This is the best kind of customer service – anticipating and solving challenges.

Seamless cooperation requires a special attitude to customer service. The most important changes in customer cooperation in the near future will be in coordinating systems. The changing world requires expertise in the use of renewable systems, and customers must also be able to support this work. We can best support them by strengthening the systems in use and integrating the customer's IT systems with Kuusakoski's ordering and reporting systems, for example. This will allow the real-time transfer of information between systems.

Kuusakoski's Customer Experience project continued in 2020, and we received valuable feedback from customers to help us develop our operations. The recycling business launched strategic planning to clarify the company's brand, which will be implemented in 2021. The project includes, for example, redesigning our websites in all our markets.



ACCOUNTING PRINCIPLES

Consolidated Financial Statements

The consolidated financial statements and those of the parent company Kuusakoski Group Oy have been prepared in accordance with the Finnish Accounting Act.

The consolidated financial statements include the parent company, as well as companies in which the parent company directly or indirectly held more than 50 per cent of the voting rights at the end of the financial year or in which the parent company has the power to exercise control.

All inter-company receivables and liabilities, internal margins and the effects of other internal transactions have been eliminated. Share ownership has been eliminated using the acquisition cost method. The difference between the acquisition cost and the equity of subsidiary companies at the time of acquisition is presented as goodwill. Goodwill is depreciated on a straight-line basis over 5 years.

Minority interests are separated from the Group's result and shareholders' equity and presented as separate items in the consolidated income statement and balance sheet.

The financial information of associated companies is included in the consolidated financial statements using the equity method. The Group's share of the results in associated companies is presented in the financial items. Similarly, the Group's share of the shareholders' equity of associated companies is presented in the balance sheet as the value of the shares and any possible goodwill. Associated companies are companies in which the parent company held 20 to 50 percent of the voting rights at the end of the financial year.

Revenue Recognition

Revenue from sales of products and services is reported as net sales adjusted for indirect taxes, discounts and exchange rate differences on foreign currency sales. The recycling group sells recycled metal and other recycled materials and offers various recycling services to its customers. Income from material sales is recorded when the product is delivered to the customer under the

terms of delivery and the risks and benefits associated with it have been transferred to the recipient. Revenue from services is recognised when the service has been performed.

The foundry group sells aluminium castings to its customers, as well as the tools used to manufacture their products. Income from product sales is recorded when the product is delivered to the customer under the terms of delivery. Income from tool projects is recorded on a billing basis in accordance with the terms of the customer agreement. Specific margins for projects are recognised at the end of each project. Anticipated losses from non-profitable projects are recognised as an expense in their entirety.

Foreign Currency Items

Foreign currency receivables, liabilities and commitments are valued according to the European Central Bank's average exchange rates on the closing date. Currency derivatives are valued at market value on the closing date, and profits and losses are charged to the appropriate items in the income statement.

The balance sheets of non-Finnish subsidiaries are translated into euros at the average exchange rate on the closing date and their income statement at the average of the monthly average exchange rates for the financial year. Exchange rate differences arising from translating shareholders' equity are presented in retained earnings.

Research and Development Costs

Research and development costs are charged to the income statement as annual costs.

Inventories

Inventories are presented in the balance sheet at the lower of cost or net realisable value; they are calculated using the FIFO method as the amount of the variable costs arising from acquisition and manufacturing, or the probable sales price. In addition to variable costs, the value of inventories includes fixed costs arising from acquisition and manufacturing.

Fixed Assets and Depreciation

The balance sheet values of tangible and intangible fixed assets are based on their original acquisition costs, less accumulated depreciation. The acquisition cost of assets manufactured by the company includes variable manufacturing costs.

Straight-line depreciation is made according to the plan for depreciation, which is based on the estimated useful economic life of the assets.

Estimated useful economic life of fixed assets:

Intangible assets	3–5 years
Goodwill	5–10 years
Other long-term expenditure	5 years
Buildings and structures	10–30 years
Machinery and equipment	5–12 years
Other tangible assets	5–20 years

The reducing balance method according to the Finnish Business Income Tax Act is applied to the straight-line depreciation of Kivikolmio Oy.

Financial Assets

Financial assets are valued according to their acquisition cost or the probable sales price.

Pension Arrangements

Pension costs for Group companies outside Finland are calculated in accordance with local legislation and practice and recorded in the consolidated financial statements. Pension obligations for Group personnel in Finland are covered through payments to pension insurance institutions.

Deferred Taxes

Deferred tax liabilities and assets in the consolidated financial statements are calculated for temporary differences between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes using the official tax rate confirmed on the balance sheet date for the following financial periods.

Taxation requirements in Finland and certain other countries allow companies to reduce or increase their

taxable income through appropriations. Any increase or reduction in these is recorded in the income statement as a change in appropriations, with the counter-entry in the balance sheet appropriations. In the consolidated financial statements, appropriations are divided between the result for the year, accumulated reserves and deferred tax liability.

Recognition and Measurement of Derivative Instruments

Derivative instruments include currency options, forward foreign exchange contracts, interest rate swaps and commodity derivatives as part of an overall risk management policy. Currency options and forward foreign exchange contracts are used to reduce anticipated foreign currency risks related to sales and purchases. Derivatives are valued at market value on the closing date, and their changes in value are recorded in the income statement. The change in value of electricity derivatives is recorded only in the notes to the consolidated financial statements.

Environmental Provisions

When acquiring new areas of land, an environmental provision is recorded with mandatory provisions about any possible contaminated soil of which the company is aware.

Kuusakoski Oy's location-specific environmental permit regulations are complied with closely and monitored continuously throughout the financial year. Upcoming environmental investments and any possible soil cleaning provisions for land on which operations are to be discontinued are recorded in the financial statements as mandatory provisions.

Impacts of the coronavirus pandemic

The Board of Directors of Kuusakoski Group Oy has assessed the impacts of the coronavirus pandemic, which broke out at the beginning of 2020 and subsequently spread rapidly, on the company's market environment, employees and business operations. The coronavirus pandemic has so far not had a significant impact on the company's operations. The company's Board of Directors and management closely monitor the development of the coronavirus situation and update their assessment of the impact of the pandemic as the situation progresses.

AUDITOR'S REPORT

TO THE ANNUAL GENERAL MEETING OF
KUUSAKOSKI GROUP OY

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of Kuusakoski Group Oy (business identity code 0200662-5) for the year ended 31 December 2020. The financial statements comprise the balance sheets, the income statements, cash flow statements and notes for the group as well as for the parent company. In our opinion, the financial statements give a true and fair view of the group's and the company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the

preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance on whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

— Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

— Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.

— Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

— Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

— Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.

— Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Reporting Requirements

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations. If, based on the work we have performed, we conclude that there is a material misstatement in the information included in the report of the Board of Directors, we are required to report this fact. We have nothing to report in this regard.

Other opinions

We support the adoption of the financial statements. The proposal by the Board of Directors regarding the treatment of distributable profit is in compliance with the Limited Liability Companies Act. We support that the Board of Directors of the parent company and the Managing Director be discharged from liability for the financial period audited by us.

Helsinki, 15 April 2021
KPMG OY AB
Jukka Rajala, Authorised Public Accountant

CONSOLIDATED INCOME STATEMENT

EUR million	2020	2019
Revenues 1)	486.5	517.5
Other operating income 2)	4.0	2.6
Materials and services 3)	339.9	371.7
Personnel expenses 4)	67.9	73.1
Depreciation and write-downs 6)	17.4	18.0
Other operating expenses	55.4	58.5
	480.6	521.3
Operating profit	9.9	-1.3
Financial income and expenses 7)	-2.4	-4.5
Profit before taxes	7.4	-5.8
Income taxes 8)	-2.1	-0.5
Minority interest	-0.5	-0.7
Net profit for the financial year	4.8	-6.9

CONSOLIDATED BALANCE SHEET

EUR million	2020	2019
Assets		
Non-current assets 9)		
Intangible assets	2.5	2.9
Tangible assets	110.6	120.1
Investments	5.0	3.9
	118.1	126.9
Current assets		
Inventories 10)	58.0	57.4
Long-term receivables 11)	0.0	0.0
Short-term receivables 11)	53.5	56.2
Cash and cash equivalents	46.0	38.4
	157.5	152.0
	275.6	278.9
Shareholders' equity and liabilities		
Equity and reserves 12)		
Share capital	0.1	0.1
Share premium fund	0.2	0.2
Retained earnings	114.0	124.9
Net profit for the financial year	4.8	-6.9
	119.2	118.3
Minority interest	1.0	1.0
Obligatory provisions 13)	13.4	12.1
Liabilities 14)		
Non-current liabilities	56.1	66.1
Current liabilities	85.8	81.4
	142.0	147.5
	275.6	278.9

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

EUR million	2020	2019
Cash flow from operations		
Profit (loss) before appropriations and taxes	7.4	-5.8
Adjustments:		
Depreciation and write-downs	17.4	18.0
Gains (-) and losses (+) on fixed assets	-2.4	-0.3
Share of results of associated companies	-1.3	0.9
Unrealised exchange rate profits and losses	-0.2	0.2
Financial income and expenses	3.8	3.3
Cash flow before change in working capital	24.9	16.4
Change in working capital:		
Increase (-), decrease (+) in inventories	-1.0	7.5
Increase (+), decrease (-) in non-interest-bearing trade receivables	0.3	5.8
Increase (+), decrease (-) in non-interest-bearing liabilities	11.1	-8.8
Cash flow from operations before financial items and taxes	35.3	20.8
Interest paid and other financial expenses	-3.8	-3.9
Dividends received	0.2	0.4
Interest received	0.0	0.2
Taxes	0.1	-3.3
Cash flow from operations	31.9	14.3
Cash flow from investments		
Investments in tangible and intangible assets	-9.3	-20.0
Sold shares in subsidiaries	1.9	0.0
Investments in associated companies	0.0	-0.3
Cash flow from investments	-7.4	-20.3

EUR million	2020	2019
Cash flow from financing		
Increase (+), decrease (-) in non-current liabilities	-4.5	5.1
Increase (+), decrease (-) in current liabilities	-8.5	-9.2
Dividend distribution	-3.8	-3.4
Cash flow from financing	-16.8	-7.4
Change in cash and cash equivalents	7.7	-13.4
Cash and cash equivalents 1 Jan	38.4	51.6
Effect of exchange rate changes	-0.1	0.2
Cash and cash equivalents 31 Dec	46.0	38.4

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

EUR million	2020	2019
Income statement		
1. Revenues by business sector and market area		
Revenues by business sector		
Recycling	411.8	433.0
Foundries	74.6	84.5
Total	486.5	517.5
Revenues by market area		
Finland	102.2	119.5
Other Europe	246.3	266.7
Asia	119.2	110.7
Other areas	18.8	20.7
Total	486.5	517.5

EUR million	2020	2019
2. Other operating income		
Gains on sale of fixed assets	2.5	0.4
Other operating income	1.6	2.2
Total	4.0	2.6
3. Materials and services		
Materials, goods and supplies		
Purchased during the financial year	260.2	285.2
Increase(-),decrease (+) in inventories	-1.1	7.9
	259.1	293.1
Outside services	80.8	78.6
Total	339.9	371.7

EUR million	2020	2019
4. Personnel expenses		
Wages and salaries	58.2	62.8
Pension expenses	5.1	6.1
Other personnel expenses	4.6	4.3
Total	67.9	73.1

Salaries and remuneration to senior management		
Managing Directors and Members of the Board of Directors	2.6	2.8

Group management had no loans from the parent company.

EUR million	2020	2019
Average number of personnel		
Wage earners	1,370	1,482
Salaried employees	564	613
Total	1,934	2,095

EUR million	2020	2019
5. Auditor's fees		
Auditing	0.3	0.3
Other services	0.0	0.0
Total	0.4	0.3
6. Depreciation and writedowns		
Planned depreciation, intangible	0.5	0.7
Planned depreciation, goodwill	0.3	1.3
Planned depreciation, tangible	15.9	16.3
Write-downs	0.7	-0.3
Total	17.4	18.0

EUR million	2020	2019
7. Financial income and expenses		
Income from associated companies	1.3	-0.9
Other interest and financial income, from others	0.6	0.6
Other interest and financial expenses, to others	4.3	4.2
Total financial expenses and expenses	-2.4	-4.5
Foreign currency exchange differences included in total financial income and expenses	-0.4	0.3

EUR million	2020	2019
8. Income taxes		
Income taxes payable from current and previous tax years	1.6	1.0
Change in deferred tax liability	0.4	-0.7
Other direct taxes	0.0	0.1
	2.1	0.5

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

EUR million

Balance sheet, assets

9. Non-current assets

	Acquisition cost 1 Jan 2020	Translation difference	Increases	Decreases	Re- classifications	Accumulated depreciation 1 Jan 2020	Translation adjustment	Accumulated depreciation on decreases	Depreciation for the financial year	Write-downs	Total 31 Dec 2020
Intangible assets											
Intangible rights	2.3	0.0	0.0	0.0	0.0	-1.3	0.0	0.0	-0.1	0.0	1.0
Goodwill	54.6	-0.5	0.0	-2.5	0.0	-54.3	0.5	2.5	-0.3	0.0	0.0
Other intangible assets	15.4	-0.1	0.3	0.0	0.1	-13.9	0.0	0.0	-0.4	0.0	1.4
Capital work in progress	0.0	0.0	0.2	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.1
Total intangible assets	72.3	-0.6	0.5	-2.6	0.0	-69.4	0.5	2.5	-0.8	0.0	2.5
Tangible assets											
Land	76	-0.1	0.2	0.0	0.0	0.7	0.0	0.0	0.0	0.0	8.4
Buildings and structures	103.3	-1.6	0.2	-0.1	6.1	-56.6	0.8	0.1	-3.9	0.0	48.2
Machinery and equipment	226.6	-1.6	5.1	-12.8	11.5	-180.7	11	12.0	-11.5	-0.7	48.4
Other tangible assets	6.8	-0.3	0.3	-0.4	0.0	-5.0	0.2	0.3	-0.4	0.0	1.5
Capital work in progress	17.4	-0.1	4.4	-0.1	-17.6	0.0	0.0	0.0	0.0	0.0	4.0
Total tangible assets	361.7	-3.6	10.3	-13.4	0.0	-241.6	2.1	12.5	-15.9	-0.7	110.6
Investments											
Shares in associated companies	3.8	1.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.8
Other shares and shareholdings	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Total investments	3.9	1.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.7	5.0
Total non-current assets	437.9	-3.0	10.8	-16.0	0.0	-311.0	2.6	15.0	-16.7	-0.7	118.1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

EUR million	2020	2019
10. Inventories		
Materials and supplies	34.1	38.3
Finished goods	23.4	18.4
Advance payments	0.5	0.7
	58.0	57.4
11. Current receivables		
Long-term receivables	0.0	0.0
Short-term receivables		
Deferred tax liabilities	3.3	3.1
Trade receivables	43.7	45.6
Other receivables	2.3	1.7
Accrued income	4.0	5.8
	53.5	56.2
Balance sheet, assets		
12. Shareholders' equity		
Share capital	0.1	0.1
Share premium fund	0.2	0.2
	0.3	0.3
Retained earnings 1 Jan	118.0	127.3
Dividends paid	-3.3	-3.0
Translation adjustment	-0.7	0.6
Retained earnings 31 Dec	114.0	124.9
Net profit for the financial year	4.8	-6.9
Total retained earnings	118.9	118.0
Total	119.2	118.3

EUR million	2020	2019
13. Provisions		
Environmental provisions	7.3	7.3
Other provisions	6.1	4.8
Total	13.4	12.1
14. Liabilities		
Non-current liabilities		
Loans from financial institutions	52.7	62.8
Deferred tax liabilities	3.2	3.0
Other non-current liabilities	0.3	0.3
Total non-current liabilities	56.1	66.1
Current liabilities		
Loans from financial institutions	16.7	22.0
Advances received	0.8	0.7
Trade payables	41.1	37.5
Other current liabilities	6.7	6.2
Accrued expenses	20.0	15.0
Deferred tax liabilities	0.5	0.0
Total current liabilities	85.8	81.4
Main items in accrued expenses		
Accrued personnel expenses	8.6	7.7
Taxes	0.4	0.4
Accrued financial expenses	0.5	0.3
Other	10.5	6.6
	20.0	15.0

EUR million	2020	2019
Other notes		
15. Collateral given		
Liabilities for which collateral given		
Loans from financial institutions	3.4	3.6
Mortgages given as collateral		
Business mortgages	0.0	0.0
Book value of pledged shares	0.5	0.5
16. Contingent liabilities		
Leasing and rental liabilities		
Payable within one year	7.5	7.0
Payable after one year	19.7	20.4
Total leasing and rental liabilities	27.2	27.4
Guarantees given on behalf of companies belonging to the same group	10.2	10.9
Other guarantees	4.9	4.9
Total contingent liabilities	42.3	43.2

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

EUR million	2020	2019
17. Derivative instruments		
Open derivative instruments 31 Dec 2020		
Forward foreign exchange contracts		
Fair value	0.2	0.2
Contract amounts	29.8	16.6
Change in value marked to the Income Statement	0.0	0.1
Currency options		
Written options		
Fair value	0.0	0.0
Contract amounts	0.0	0.0
Change in value marked to the Income Statement	0.0	0.0
Purchased options		
Fair value	0.0	0.0
Contract amounts	0.0	0.0
Change in value marked to the Income Statement	0.0	0.0
Metal options		
Fair value	0.0	0.0
Contract amounts	0.0	0.0
Change in value marked to the Income Statement	0.0	0.0
Electricity derivatives		
Fair value	-0.1	0.2
Contract amounts	1.6	1.6

Forward foreign exchange contracts, currency options and metal options have been made for hedging purposes, and they have been booked for the most part as a gain or loss in the financial statements at their fair value. Exercised and terminated electricity derivatives have been booked in the income statement upon their termination. The values of open agreements are not booked in the balance sheet but are instead listed here. At the end of the financial year the Group had open currency options, forward foreign exchange contracts and electricity derivatives. All open forward foreign exchange contracts and metal options mature within 14 months. All open electricity derivatives mature within 3 years.

	Country	Group Shareholding %	Parent Company Shareholding %
18. Group holdings in other companies			
Group companies			
Alteams Oy	Finland	100	100
Alteams Finland Oy	Finland	100	
Jokirantakiinteistöt Oy	Finland	100	100
Kivikolmio Oy	Finland	100	
Kuusakoski Oy	Finland	100	100
Koy Lahden Norokatu 5	Finland	100	100
Revanssi Oy	Finland	51	
Alteams Eesti Oü	Estonia	100	
Alteams Japan K.K.	Japan	100	
Alteams Poland Sp.zo.o	Poland	100	
Alteams Stilexo AB	Sweden	100	
Alteams Suzhou Co. Ltd.	China	100	
Alteams Suzhou Industrial Technology Co. Ltd.	China	100	
Crown Works Ltd	Great Britain	100	
Kuusakoski AS	Estonia	100	
Kuusakoski Glass Recycling LLC	USA	100	
Kuusakoski Inc	USA	100	
Kuusakoski Ltd	Great Britain	100	
Kuusakoski Sverige AB	Sweden	100	
Kuusakoski US LLC	USA	100	
SWEEEP Kuusakoski Ltd	Great Britain	61	
Vintage Tech LLC	USA	100	
Associated companies			
Suomen Erityisjäte Oy	Finland	49	
Sähkö-Saarnikannas Oy	Finland	20	
Ashley Alteams India Limited	India	50	

KEY FIGURES

	2020	2019	2018	2017	2016
Group key financial indicators					
Revenues, MEUR	486.5	517.5	610.8	571.6	494.4
Exports and sales outside Finland, MEUR	384.3	398.1	478.4	440.4	394.4
% of revenues	79.0	76.9	78.3	77.0	79.8
Operating profit, MEUR	9.9	-1.3	11.4	18.2	-4.1
% of revenues	2.0	-0.2	1.9	3.2	-0.8
Net financing expenses (excluding exchange rate differences), MEUR	2.0	4.8	3.5	2.0	2.6
% of revenues	0.4	0.9	0.6	0.3	0.5
Profit before taxes, MEUR	7.4	-5.8	6.7	11.6	-7.1
% of revenues	1.5	-1.1	1.1	2.0	-1.4
Return on equity (ROE), %	4.0	-5.6	2.7	7.1	-8.4
Return on investment (ROI), %	5.5	-0.7	2.9	3.7	-1.0
Equity ratio, %	43.7	42.9	42.8	43.9	39.2
Interest-bearing debt, MEUR	73.4	88.1	91.2	88.2	113.9
Net debt, MEUR	27.4	49.7	39.7	52.8	86.0
Net gearing, %	22.8	41.7	30.8	39.8	70.4
Investments, MEUR	9.3	20.3	17.5	7.8	4.8
% of revenues	1.9	3.9	2.9	1.4	1.0
Number of personnel (average)	1,934	2,095	2,420	2,395	2,512
Information per share					
Number of shares	60,000	60,000	60,000	60,000	60,000
Net profit per share, EUR	80.6	-115.7	58.8	151.7	-180.4
Equity per share, EUR	1,986.4	1,970.9	2,127.2	2,191.1	2,031.0
Dividend per share, EUR	60.0	25.0	50.0	100.0	60.0
Dividend as % of net profit	74.4	-21.6	85.0	65.9	-33.3

PARENT COMPANY INCOME STATEMENT

EUR million	2020	2019
Revenues	11	11
Other operating income	0.9	0.7
Personnel expenses	0.6	0.6
Depreciation and write-downs	0.0	0.0
Other operating expenses	1.9	1.7
Operating profit	-0.6	-0.5
Financial income and expenses	-1.7	9.5
Profit before appropriations and taxes	2.2	9.0
Group contributions	0.2	0.2
Income taxes	0.0	0.0
Net profit for the financial year	-2.1	9.2

NOTE TO PARENT COMPANY FINANCIAL STATEMENT

EUR million	2020	2019
Specification of shareholders' equity		
Share capital	0.1	0.1
Share premium fund	0.2	0.2
Retained earnings on 1 Jan	110.8	104.6
Dividends paid	-3.3	-3.0
Retained earnings on 31 Dec	107.5	101.6
Net profit for the financial year	-2.1	9.2
Total retained earnings	105.5	110.8
Total	105.8	111.1
Parent company's distributable funds	105.5	110.8

PARENT COMPANY BALANCE SHEET

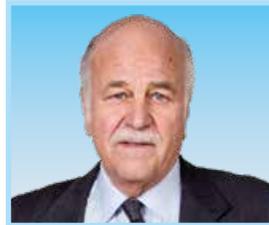
EUR million	2020	2019
Assets		
Fixed assets and other long-term investments		
Non-current assets	0.0	0.0
Tangible assets	11	11
Investments	95.9	100.9
	97.0	102.0
Current assets		
Long-term receivables	7.0	7.7
Short-term receivables	3.6	2.3
Cash and cash equivalents	10.7	26.0
	21.3	36.0
Shareholders' equity and liabilities	118.3	138.0
Shareholders' equity		
Share capital	0.1	0.1
Share premium fund	0.2	0.2
Retained earnings	107.5	101.6
Net profit for the year	-2.1	9.2
	105.8	111.1
Liabilities		
Non-Current liabilities	2.9	0.0
Current liabilities	9.5	26.8
	12.3	26.8
	118.3	138.0

BOARDS OF DIRECTORS, MANAGEMENT AND AUDITOR

BOARD OF DIRECTORS OF KUUSAKOSKI GROUP OY



Olli Vaartimo
MSc (Econ),
Chairman of the Board
Chairman of the Board of:
- Sampo-Rosenlew Oy
Member of the Board of:
- Black Bruin Oy



Veikko Kuusakoski
MSc (Law)



Mariella Kuusakoski-Toivola
Commercial College Graduate



Lauri Peltonen
MD, PhD



Johan Kronberg
MSc (Econ)
Member of the Board of:
- Elomatic Oy
- Jaakko Taara Oy
- Silo AI Oy
- Nordic Business Group Oy



Arno Pelkonen
MSc (Econ)
Chairman of the Board of:
- Alteams Oy
- Annalan Kartano Oy
Member of the Board of:
- Valucast Oy

Deputy members

Tiina Orasaari
BBA

Tapio Kuusakoski
MSc (Econ)

President of Kuusakoski Group Oy

Veikko Kuusakoski, MSc (Law)

Board of Directors of Kuusakoski Oy

Veikko Kuusakoski, Chairman of the Board
Pekka Erkkilä
Mikko Kuusakoski
Harri Nikunen
Johan Viklund

Board of Directors of Alteams Oy

Arno Pelkonen, Chairman of the Board
Mika Hassinen
Risto Kuusakoski
Timo Kuusakoski
Petteri Walldén

Auditor

KPMG OY AB
Jukka Rajala, APA

President and CEO of Kuusakoski Oy

Mikko Kuusilehto, MSc (Eng)

President and CEO of Alteams Oy

Asko Nevala, MSc (Eng)

Management Team of Recycling operations

Mikko Kuusilehto, CEO (Chairman)
Teuvo Kuusakoski, Business Director, Non-Ferrous
Timo Kuusakoski, Business Director, Metals
Tuomas Mantere, Director, Production
Lauri Siukonen, CFO
Oskar Stavrén, Sales Director

Management Team of Foundry Operations

Asko Nevala, President and CEO (Chairman)
Daniel Eklund, Executive Vice President, Global Accounts, NET 1 CBU
Anne-Mari Järvinen, Executive Vice President, Group Sourcing and Management Systems
Petteri Kiili, CFO
Kimmo Pesonen, Executive Vice President, Global Accounts, NET 2 CBU & Group CTO
Timo Puska, Executive Vice President, e-Mobility & Industry CBU
Alicja Kobiela, Plant Director, Alteams Poland Sp. z o.o.
David Twomey, President and CEO, Alteams (Suzhou) Ltd., Co

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