



**Corporate Governance Statement 2017**  
**ALMA MEDIA CORPORATION**

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# Corporate Governance Statement of Alma Media Corporation

In 2017, Alma Media Corporation applied the Finnish Corporate Governance Code 2015 for listed companies, issued by the Securities Market Association on 1 October 2015, in its unaltered form. A Corporate Governance Statement required by the Corporate Governance Code is presented as a separate report in connection with the Financial Statements. In addition, it is publicly available on Alma Media's website: [www.almamedia.fi/en/investors/governance/corporate-governance](http://www.almamedia.fi/en/investors/governance/corporate-governance)

The Audit Committee of Alma Media Corporation's Board of Directors has reviewed the Corporate Governance Statement. The statement will not be updated during the financial period, but up-to-date information on its sections is available on Alma Media's website: [www.almamedia.fi/en/investors/governance/corporate-governance](http://www.almamedia.fi/en/investors/governance/corporate-governance)

The Finnish Corporate Governance Code is downloadable from the website of the Securities Market Association: [www.cgfinland.fi](http://www.cgfinland.fi)



# Alma Media Group

Responsibility for Alma Media Group's management and operations belongs to the constitutional bodies required by the Limited Liability Companies Act: the General Meeting of Shareholders, which elects the members of the Board of Directors; and the President and CEO, who is appointed by the Board of Directors.

The Group's supreme decision-making body is the General Meeting of Shareholders, where shareholders exercise their decision-making power. The Board of Directors is responsible for the company's management and its appropriate organisation. In its capacity as the Group's parent company, Alma Media Corporation is responsible for the Group's management, legal affairs, corporate restructuring, strategic planning, financial administration, human resources and facilities management, financing, ICT, internal and external communications as well as the Alma brand.

Alma Media Group has four reporting segments. The Alma Markets segment consists of digital automotive and housing marketplaces and complementary services, as well as the recruitment business. The Alma Talent segment publishes 20 trade and financial media, as well as books. Alma Talent also offers skills development and growth services to professionals and businesses in different fields, from events and training to information services. The Alma News & Life segment includes the various digital and print news and lifestyle content of the national Iltalehti. The Alma Regions segment is responsible for the print and online publishing activities of regional, local and town papers, as well as Alma Media's printing operations.

In addition, Alma Media's shared sales function (Alma Media Solutions) is a sales and development organisation that serves the business segments' advertiser customers.

# Board of Directors of Alma Media Corporation

The Shareholders' Nomination Committee of Alma Media Corporation prepares a proposal for the General Meeting regarding the composition and remuneration of the Board of Directors. The Board of Directors shall comprise no fewer than three (3) and no more than nine (9) members elected by the Annual General Meeting. The term of office of a member of the Board shall be one (1) year, ending at the close of the Annual General Meeting following their election. The President and CEO of the company may not act as the Chairman of the Board. There is no specific order of appointment of directors. The Annual General Meeting decides on the remuneration and travel allowances of the members of the Board of Directors.

The Board Diversity Policy sets out the principles concerning the diversity of the Board of Directors. The principles are available in their entirety on the Alma Media website: [www.almamedia.fi/en/investors/governance/board-of-directors](http://www.almamedia.fi/en/investors/governance/board-of-directors)

Pursuant to the Board Diversity Policy, the Board of Directors and its members, as a group, shall have sufficient complementary expertise and experience on matters related particularly to the company's line of business and operations, the management of a listed company, financial statements and financial reporting, internal control and risk management, strategy, acquisitions and corporate governance.

The members of the Board of Directors shall represent diverse expertise and qualifications and the diversity of the members' age and gender distribution, academic and professional backgrounds and experience of international business shall support the company's business and its development. Members of the Board of Directors shall possess the necessary qualifications and the opportunity to dedicate sufficient time to their duties as members of the Board. The number of members and composition of the Board of Directors shall enable the effective fulfilment of the Board's responsibilities. Both genders shall be represented on the Board of Directors.

## Composition of the Board and Shareholdings of Members

The Annual General Meeting 2017 elected the following members to the Board of Directors: Harri Suutari, Petri Niemisvirta, Niklas Herlin, Matti Korkiatupa, Esa Lager, Catharina Stackelberg-Hammarén and Mitti Storckovius. The Chairman of the Board of Directors is Harri Suutari and the Deputy Chairman is Petri Niemisvirta. Board member Niklas Herlin passed away in October 2017.



### Harri Suutari

President and CEO, Componenta Oyj  
Chairman of the Board since 2013, member of Nomination and Compensation Committee, expert member of Alma Media's Shareholders' Nomination Committee  
Member of the Board since 2005  
Born: 1959  
Civil Engineer

### Essential work experience

- President and CEO, Componenta Oyj, 2015–
- PKC Group, President and CEO, 2002–2005 and 2008–2012
- Ponsse Oyj, President and CEO, 1994–2000
- Kajaani Automatiikka Oy, President 1984–1996

### Principal positions of trust

- Talgraf Oy, Chairman of the Board 2017–
- JOT-Automation Oy, Member of the Board 2017–
- Oy M-Filter Ab, Member of the Board 2010–

Finnish citizen

Independent of the company and its significant shareholders

### Shareholding on 31 December 2017

70,932 Alma Media Corporation shares



**Petri Niemisvirta**

Managing Director, Mandatum Life Insurance Company Limited; Member of the Group Executive Committee, Sampo plc  
Member of the Board and Deputy Chairman of the Board since 2011, Chairman of the Nomination and Compensation Committee  
Born: 1970  
LL.M.

**Essential work experience**

- Managing Director, Mandatum Life Insurance Company Limited, 2001–
- Managing Director, Evli Life Ltd 2000–2001
- Product Manager (unit linked insurance), Sampo Life Insurance Company Limited 1999–2000
- Life Insurance Sales Manager, Kaleva Mutual Insurance Company/Sampo Life Insurance Company Limited 1995–1999

**Principal positions of trust**

- Topdanmark A/S, Member of the Board 2017–
- Kaleva Mutual Insurance Company, Member of the Board 2013–, Chairman of the Board 2014–
- Varma Mutual Pension Insurance Company, Member of the Board 2014–
- Confederation of Finnish Industries EK, Chairman of Finance and Tax Commission 2011–2016, Member 2017–
- BenCo Insurance Holding B.V., Member of the Board 2009–

Finnish citizen

Independent of the company and its significant shareholders

**Shareholding on 31 December 2017**

19,767 Alma Media Corporation shares



**Matti Korkiatupa**

Member of the Board since 2016,  
Member of the Audit Committee  
Born: 1955  
Master of Agriculture

**Essential work experience**

- Chief Executive Officer, Ilkka-Yhtymä Oyj 1999–2017
- Chief Executive Officer, I-Mediat Oy, 2010–2017
- Regional Director, Tapiola Group 1992–1998

**Principal positions of trust**

- Arena Partners Oy, Chairman of the Board 2000–2004 and 2010–2017, Deputy Chairman 2006–2010
- Alma Mediapartners Oy, Member of the Board 2010–2017
- I-Print Oy, Chairman of the Board 2007–2017
- Lännen Media Oy, Member of the Board 2014–2017
- The Finnish Newspapers Association, Member of the Board 2000–2017, Deputy Chairman of the Board 2009–2010, Chairman of the Board 2011–2013
- WAN-IFRA, Member of the Board 2009–2014
- Finnmedia, Member of the Board 2011–2013

Finnish citizen

Independent of the company, but not independent of its significant shareholder

**Shareholding on 31 December 2017**

5,871 Alma Media Corporation shares



**Esa Lager**

Member of the Board since 2014,  
Chairman of the Audit Committee  
Born: 1959  
LL.M., M.Sc. (Econ.)

**Essential work experience**

- Deputy CEO, Outokumpu Group, 2011–2013
- Chief Financial Officer (CFO), Outokumpu Group, 2005–2013
- Director, Financing and Administration, Outokumpu Group, 2001–2004
- Director, Financing, Outokumpu Group, 1995–2000
- Vice President, Outokumpu Group, 1991–1994
- Various expert and managerial positions (Head Office foreign operations and the London branch), Kansallis-Osake-Pankki, 1984–1990

**Principal positions of trust**

- Stockmann Oyj, Member of the Board 2017–
- SATO Oyj, Member of the Board 2016–, Chairman of the Board 2015–2016, Deputy Chairman of the Board 2014–2015
- Suomen Teollisuussijoitus Oy, Chairman of the Board 2015–, Member of the Board 2014–2015
- Terrafame Oy, Member of the Board 2015–
- Fennovoima Oy, Member of the Board 2014–2016, Deputy Member of the Board 2016–2017
- Olvi Plc, Member of the Board 2017–, Chairman of the Board 2016–2017, Deputy Chairman of the Board 2002–2016
- Ilkka-Yhtymä Oyj, Member of the Board 2011–, Deputy Chairman of the Board 2014–

Finnish citizen

Independent of the company, but not independent of its significant shareholder

**Shareholding on 31 December 2017**

13,825 Alma Media Corporation shares



**Catharina Stackelberg-Hammarén**

Founder and CEO,  
Marketing Clinic Oy 2004–  
Member of the Board 2009–,  
Member of the Audit Committee  
Born: 1970  
M.Sc. (Econ.), Hanken School of Economics

**Essential work experience**

- CEO, Marketing Clinic Oy, 2004–
- Managing Director, Coca-Cola Finland, 2003–2004 and 2000–2002
- Managing Director, Coca-Cola AB 2002–2003
- Marketing Director, Coca-Cola Nordic & Baltic Division Copenhagen 2000
- Consumer Marketing Manager, Coca-Cola Finland, 1996–2000
- Marketing Manager, Sentra plc, 1994–1996

**Principal positions of trust**

- Marketing Clinic Oy, Chairman of the Board 2017–
- Marimekko Oyj, Member of the Board 2014–
- Aktia Bank Abp, Member of the Board 2012–
- Stiftelsen Svenska Handelshögskolan, Member of the Board 2011–2017
- Marketing Clinic group, Member of the Board 2004–
- Scan Securities Ab, Member of the Board 1996–

Finnish citizen  
Independent of the company and its significant shareholders

**Shareholding on 31 December 2017**

21,419 Alma Media Corporation shares



**Mitti Storckovius**

Chief Strategy Officer,  
Helsinki Deaconess Institute  
Member of the Board 2016–,  
Member of the Nomination and  
Compensation Committee  
Born: 1971  
Master of Social Sciences, MBA

**Essential work experience**

- Director, Head of Business Analytics in Devices Marketing, Microsoft, 2014–2016
- Executive positions in the mobile phone business and product management, Nokia, 2011–2014
- Head of environmental and ethical initiatives for Devices, Nokia, 2008–2010
- Director, Strategic Marketing, technology strategy and corporate strategy, Nokia, 2004–2007
- Consultant and Engagement Manager, McKinsey&Company, 1997–2004

**Principal positions of trust**

- Rinnekoti Foundation, Member of the Board 2016–

Finnish citizen  
Independent of the company and its significant shareholders

**Shareholding on 31 December 2017**

10,499 Alma Media Corporation shares



**Niklas Herlin  
(passed away in October 2017)**

Publisher  
Member of the Board since 2013  
Born: 1963  
B. Sc., Bentley College, USA

**Essential work experience**

- Freelance journalist, columnist, non-fiction writer 2001–2017
- Editor, News Editor, Kauppalehti 1987–1996, Suomen Kuvalehti 1996–1997, Ilta-Sanomat 1997–2001
- Corporate Analyst, Finnish Fund for Industrial Cooperation 1987–1988

**Principal positions of trust**

- Yellow Film & TV Oy, Member of the Board 2015–2017
- Yellow Film Management Oy, Member of the Board 2015–2017
- Kehitysvammaisten työllisyyden tukisäätiö (Support Foundation for the Employment of People with Developmental Disabilities), Chairman of the Board 2013–2017
- Riikka Herlin Foundation, Chairman of the Board 2012–2017
- Mariatorp Oy, Chairman of the Board 2005–2017
- Publishing company Teos, Chairman of the Board 2003–2017

Finnish citizen  
Independent of the company, but not independent of its significant shareholder

**Shareholding on 31 December 2017**

13,710 Alma Media Corporation shares held by Niklas Herlin's estate and 15,675,473 shares via Mariatorp Oy.

It is the duty of the members of the Board of Directors to provide the Board of Directors with sufficient information for the assessment of their competence and independence. The Board of Directors has assessed that with the exception of Niklas Herlin, Matti Korhonen and Esa Lager, the members of the Board are independent of the company and its significant shareholders. The members mentioned hereinabove are assessed to be independent of the company but not independent of its significant shareholders. Esa Lager is a member of the Board of Ilkka-Yhtymä Oyj, Matti Korhonen has been, for the past three years, in an employee relationship with Ilkka-Yhtymä Oyj as the company's Chief Executive Officer and Niklas Herlin was the Chairman of the Board of Mariatorp Oy.

### Tasks and Responsibilities of the Board of Directors

The Board of Directors is responsible for the company's governance and the due organisation of its operations. The tasks and responsibilities of the Board of Directors are determined by the Finnish Limited Liability Companies Act and the Articles of Association. The detailed working of the Board of Directors is set out in the Board's Charter. Principal tasks of the Board of Directors include confirming the Group's strategy and objectives as well as deciding on significant investments and acquisitions. The Board of Directors monitors the Group's performance through monthly reports and other information provided by the Group's management. The company ensures that all members of the Board of Directors receive adequate information on Alma Media's operations, operating environment and financial position. New members of the Board of Directors are familiarised with Alma Media's operations.

The duties of the Board of Directors include:

- confirming the Group's strategy and objectives, monitoring their implementation, and, if required, initiating corrective action
- considering and approving the interim reports and the annual accounts
- approving strategically significant corporate and real estate acquisitions and disposals as well as investments according to separate investment instructions
- deciding on the Group's capital financing programmes and operations according to a separate treasury policy
- approving the dividend policy and submitting a dividend proposal to the Annual General Meeting
- annually reviewing the main risks associated with the company's operations and the management of these risks; if necessary, giving to the President and CEO instructions on how to deal with them, and, if required, initiating corrective action, approving the principles for the advance approval of non-audit services provided by the auditor
- appointing and, if required, dismissing the President and CEO

- deciding on the Nomination and Compensation Committee's proposal for the terms of employment of the President and CEO and the other members of the Group Executive Team
- confirming the company's organisation based on the CEO's proposal
- confirming the terms of employment of the CEO's direct subordinates based on the CEO's proposal
- based on the President and CEO's proposal, confirm the appointment and dismissal of the editors-in-chief of newspapers and magazines with significant revenue and circulation
- holding a meeting with the company's auditors at least once a year
- deciding on matters that are exceptional and have wide-ranging consequences
- considering other matters that the Chairman of the Board and President and CEO have agreed to be included in the agenda for the Board's meeting. Other Board members are also entitled to put a matter before the Board by notifying the chairman of such a matter
- representing the company and entitling individuals to represent the company, as well as deciding on procurations
- approving the principles underlying the donation of sums to good causes.

The Board's Charter is available in full on the Alma Media website:

[www.almamedia.fi/en/investors/governance/board-of-directors](http://www.almamedia.fi/en/investors/governance/board-of-directors)

The Board convenes approximately 12 times a year according to a previously confirmed timetable and, in addition, whenever necessary. Most meetings are connected with the publication of the company's financial statements and interim reports. In addition to these meetings, the Board also holds one or two Strategy Meetings at which it considers the Group's future scenarios and confirms the company's strategy for each strategy period.

In 2017, the Board met 14 times. The attendance of each member is shown in the table below.

NAME	ROLE	ATTENDANCE IN THE BOARD MEETINGS
Harri Suutari	Chairman	13/14
Petri Niemisvirta	Deputy Chairman	14/14
Niklas Herlin	Member until October 2017	11/11
Matti Korhonen	Member	14/14
Esa Lager	Member	13/14
Catharina Stackelberg-Hammarén	Member	14/14
Mitti Storckovius	Member	14/14

## Assessment of the Board's Performance

In 2017, the Board of Directors evaluated its performance and working methods through self-assessment.

## Permanent Committees

The Board of Directors has established two permanent committees: the Audit Committee and the Nomination and Compensation Committee. At its constitutive meeting after the Annual General Meeting, the Board of Directors elects the members of these committees from among the Board members.

The Board of Directors confirms a written Charter for the committees. The committees report to the Board of Directors.

## Audit Committee

At its constitutive meeting after the Annual General Meeting, the Board of Directors elects a minimum of three members to the Audit Committee from among the Board members, who then elect a Chairman for the Committee. The Audit Committee meets at least four times a year.

As of 22 March 2017, the members of the Audit Committee are Esa Lager, Matti Korkiatupa and Catharina Stackelberg-Hammarén. Esa Lager is Chairman of the Audit Committee. The Audit Committee's meetings are attended by the company's Auditor, the Group's Chief Financial Officer and General Counsel. Matters to the Committee are presented by the CFO.

The Board of Directors has appointed the Audit Committee to monitor the company's internal control systems. The work of the Audit Committee includes tasks such as evaluating compliance with legislation and regulations; monitoring the auditing process; monitoring and supervising the preparation of the financial statements and other financial reports; approving, in accordance with the principles confirmed by the company's Board of Directors, or giving advance authorisation to the Chairman of the Audit Committee to approve, all permitted non-audit services provided by the auditor, including their scope and the estimated fees payable for them; and monitoring significant financial, financing and tax risks; and monitoring the company's fiscal position.

The Charter of the Audit Committee is available in full on the Alma Media website: [www.almamedia.fi/en/investors/governance/board-of-directors](http://www.almamedia.fi/en/investors/governance/board-of-directors)

The Audit Committee convened five times in 2017. The attendance of each member is shown in the table below.

NAME	ROLE	ATTENDANCE IN THE COMMITTEE MEETINGS
Esa Lager	Chairman	5/5
Matti Korkiatupa	Member	5/5
Catharina Stackelberg-Hammarén	Member	5/5

## Nomination and Compensation Committee

At its constitutive meeting after the Annual General Meeting, the Board of Directors elects the members to the Nomination and Compensation Committee from among the Board members. The Nomination and Compensation Committee comprises four members, who elect a Chairman for the Committee. On 22 March 2017, Niklas Herlin, Petri Niemisvirta, Mitti Storckovius and Harri Suutari were elected as members of the Nomination and Compensation Committee. Petri Niemisvirta was elected Chairman of the Committee. Committee member Niklas Herlin passed away in October 2017, but no new member was added to the committee because it still met the Corporate Governance Code requirement of having a minimum of three members.

The principal task of the Nomination and Compensation Committee is to prepare matters for the Board concerning appointments, compensation, incentive systems, the self-evaluation of the Board and the development of good governance.

In the Nomination and Compensation Committee, the matters concerning compensation are presented by the President and CEO.

The Charter of the Nomination and Compensation Committee is available in full on the Alma Media website: [www.almamedia.fi/en/investors/governance/board-of-directors](http://www.almamedia.fi/en/investors/governance/board-of-directors)

The Nomination and Compensation Committee convened four times in 2017 to consider matters according to its Charter. The attendance of each member is shown in the table below.

NAME	ROLE	ATTENDANCE IN THE COMMITTEE MEETINGS
Petri Niemisvirta	Chairman	4/4
Niklas Herlin	Member until October 2017	3/3
Mitti Storckovius	Member	4/4
Harri Suutari	Member	4/4

# The Shareholders' Nomination Committee

The Nomination Committee's duties include preparing proposals related to the election and remuneration of the members of the Board of Directors to the Annual General Meeting.

The Shareholders' Nomination Committee consists of four members appointed by Alma Media's four largest shareholders, and the members elect a chairman from among their number.

The shareholders with the right to appoint members representing shareholders to the Nomination Committee are those four shareholders who are registered in the company's shareholder register maintained by Euroclear Finland Ltd on 30 September in the calendar year preceding the Annual General Meeting and whose share of the votes produced by all shares in the company is the greatest according to this shareholder register.

The following were appointed as members in 2017: Timo Aukia, Chairman of the Board of Directors, Ilkka Group; Peter Immonen, Member of the Board of Mariatorp Oy; Henrik Ehrnrooth, Chairman of the Board of Otava Oy; and Timo Sallinen, Head of Listed Securities, Varma Mutual Pension Insurance Company. Timo Aukia was elected Chairman of the Shareholders' Nomination Committee. In addition, the Chairman of the Board of Directors of Alma Media Corporation, Harri Suutari, acts as an expert member in the Nomination Committee.

More information on the members of the Shareholders' Nomination Committee of Alma Media Corporation in 2017 is presented in the tables below:

NAME	ROLE
Timo Aukia Born in 1973, M.Sc. (Econ.) Managing Director, Timo Aukia Oy & Jaakko Aukia Oy Shareholding on 31 December 2017: 5,246 Alma Media Corporation shares	Chairman
Henrik Ehrnrooth Born in 1954, B.Sc. (Forest Econ.), M.Sc. (Econ.) Chairman of the Board of Directors, Pöyry Oyj, Otava Oy and CLC (Climate Leadership Coalition) Shareholding on 31 December 2017: 0 Alma Media Corporation shares	Member
Peter Immonen Born in 1959, M.Sc. (Econ.) Chairman of the Board of Directors, WIP Asset Management, Member of the Board of Directors of Mariatorp Oy Shareholding on 31 December 2017: 0 Alma Media Corporation shares	Member
Timo Sallinen Born in 1971, M.Sc. (Econ.) Head of Listed Securities, Varma Mutual Pension Insurance Company Shareholding on 31 December 2017: 0 Alma Media Corporation shares	Member
Harri Suutari Born: 1959, Civil Engineer President and CEO, Componenta Oyj Chairman of the Board of Directors of Alma Media, Member of the Board's Nomination and Compensation Committee Shareholding on 31 December 2017: 70,932 Alma Media Corporation shares	Expert member

The members of the Shareholders' Nomination Committee are not entitled to remuneration for their membership in the Committee, but their travel expenses are compensated in accordance with the company's travel regulations.

The Shareholders' Nomination Committee convened four times during its term of office in 2017–2018: once in November 2017, once in December 2017 and twice in January 2018. All of the members attended all of the meetings.

The Shareholders' Nomination Committee issued a proposal on 29 January 2018 to the Annual General Meeting to be held on 14 March 2018.



# President & CEO and Group Executive Team of Alma Media Corporation

The President and CEO of Alma Media Corporation is Mr Kai Telanne, MSc (Econ), born 1964.

The President and CEO is responsible for the day-to-day management of the company in accordance with the guidelines and instructions of the Board of Directors. The President and CEO is responsible for the company's accounts conforming to legislation and its assets being reliably managed. The President and CEO must supply all the information necessary for the appropriate working of the Board of Directors to the Board or any of its members.

The President and CEO may undertake matters that are exceptional or have wide-ranging consequences with regard to the scope and nature of the company's business only through authorisation by the Board of Directors or in circumstances in which it is not possible to wait for the Board's decision without causing essential damage to the company's operation. In the latter case, the Board must be notified of the action taken as soon as possible.

The President and CEO, Mr Kai Telanne, is supported by a Group Executive Team, in 2017 comprising Kari Kivelä (Publisher, Senior Vice President, Alma News & Life), Juha-Petri Loimovuori (Senior Vice President, Alma Talent), Raimo Mäkilä (Senior Vice President, Alma Markets), Kari Juutilainen (Senior Vice President, Alma Regions), Juha Nuutinen (CFO), Mikko Korttila (General Counsel), Virpi Juvonen (Vice President, Human Resources), Santtu Elsinen (CDO), Tiina Järvilehto (Senior Vice President, Alma Media Solutions, member of the Group Executive Team since 1 January 2017) and Elina Kukkonen (Senior Vice President, Communications and Brand, member of the Group Executive Team since 1 September 2017). Until August 2017, the secretary of the Group Executive Team was Rauno Heinonen (Senior Vice President, Corporate Communications and Investor Relations). Starting from September 2017, the members of the executive team take turns acting as secretary to the Group Executive Team.

The Group Executive Team prepares the monthly reports, investments, Group guidelines and policies, the strategy and other long-term plans, action plans covering the following 12 months, and the financial statements for confirmation by the Board of Directors. The Group Executive Team met 19 times in 2017.



**Kai Telanne**  
 President and CEO,  
 Chairman of the Group  
 Executive Team  
 In the current position  
 since 2005  
 Born: 1964  
 Members of the Group  
 Executive Team since 2005  
 M.Sc. (Econ.)

**Essential work experience**

- Kustannus Oy Aamulehti: Managing Director, 2001–2005
- Kustannus Oy Aamulehti: Deputy Managing Director, 2000–2001
- Kustannus Oy Aamulehti: Marketing Director, 1999–2000
- Suomen Paikallissanomat Oy: Marketing Director, 1996–1999
- Kustannus Oy Aamulehti: Marketing Manager, 1993–1996
- Kustannus Oy Aamulehti: Sales Manager, 1991–1993
- Kustannus Oy Aamulehti: Research Manager, 1990–1991
- Nokian Paperi Oy: Product Manager, 1989–1990

**Principal positions of trust**

- Varma Mutual Pension Insurance Company: Member of the Board 2009–
- Teleste Corporation: Member of the Board 2008–
- Altia Corporation: Member of the Board 2016–

**Alma Media shares held on 31 December 2017:**  
 119,408 Alma Media Corporation shares



**Santtu Elsinen**  
 Chief Digital Officer (CDO)  
 In the current position  
 since 2016  
 Born: 1972  
 Member of the Group  
 Executive Team since 2016  
 B.Sc.-level studies in  
 Economics

**Essential work experience**

- Talentum Oyj: Business Development Director, member of extended Group Management Team, 2012–2016
- Trainers' House Oyj: Vice President, Business Development, member of the Management Team, 2011–2012
- Satama Interactive Oyj: Director, Business Development, 2005–2010
- Quartal Oy: CEO 2011–, Business Development Director 1998–2005, Creative Director 1997–1998, Chairman of the Board 1997–
- Kauppamainos Bozell Oy: Director, Digital media, 1997
- Specialist positions at advertisement agencies and the media, 1994–1996

**Principal positions of trust**

- Media Industry Research Foundation of Finland: Board member 2016–

**Alma Media shares held on 31 December 2017:**  
 7,500 Alma Media Corporation shares and  
 10,100 shares via Winterfell Capital Oy



**Kari Juutilainen**  
 Senior Vice President,  
 Alma Regions  
 In the current position  
 since 2012  
 Born: 1956  
 Member of the Group  
 Executive Team since 2012  
 Student of social science

**Essential work experience**

- Suomen Paikallissanomat Oy: Managing Director, 2008–2011
- Suomen Paikallissanomat Oy: Publisher, 2007–2008
- Suomen Paikallissanomat Oy: Head of Publications, 2005–2007
- Länsi-Savo newspaper: Editor-in-Chief, 2000–2005
- Koillis-Häme newspaper: Editor-in-Chief, 1991–2000
- Kuusaan Seutu Oy: Editor-in-Chief and Managing Director, 1989–1991
- Elimäen Sanomat newspaper: Editor-in-Chief, 1986–1989
- Editor, Regional Editor and Special Editor in various newspapers, 1979–1985

**Principal positions of trust**

- Lännen Media Oy: Member of the Board 2014–
- Jakeluyhtiö Suomi Oy: Chairman of the Board 2015–2017
- Tampere Chamber of Commerce & Industry: Member of the Board 2014–2017
- Finnmedia: Member of the Board 2016–2017
- Finnmedia: Member of committee for labour market issues 2008–2017

**Alma Media shares held on 31 December 2017:**  
 12,538 Alma Media Corporation shares



**Virpi Juvonen**  
 Senior Vice President,  
 Human Resources  
 In the current position  
 since 2013  
 Born: 1963  
 Member of the Group  
 Executive Team since 2012  
 M.Sc. (Soc.)

**Essential work experience**

- Alma Media Corporation: Acting Senior Vice President, Human Resources, 2012–2013
- Alma Media Corporation: Director, Human Resources, Marketplaces unit, 2011–2012
- Kustannusosakeyhtiö Iltalehti: Human Resources Manager, 2007–2011
- Elisa Corporation: Human Resources Manager, 2004–2007
- Oy Radiolinja Ab: Human Resources Manager, 2002–2004

**Principal positions of trust**

- Finla Työterveys Oy: Member of the Board 2017–

**Alma Media shares held on 31 December 2017:**  
 8,909 Alma Media Corporation shares



**Kari Kivelä**  
Senior Vice President,  
Publisher,  
Alma News & Life  
In the current position  
since 2005  
Born: 1959  
Member of the Group  
Executive Team since 2005  
M.Sc. (Soc.), MBA

**Essential work experience**

- Startel Oy: Managing Director, 2002–2004
- Saunalahti Group Corporation: Deputy Managing Director, 2000–2002
- Uutislehti 100 Oy, City-lehti: Managing Director, 1997–2000
- City-lehti: Editor-in-Chief, 1986–1997

**Principal positions of trust**

- Media Metrics Finland Oy: Member of the Board 2015–

**Alma Media shares held on 31 December 2017:**  
21,076 Alma Media Corporation shares



**Mikko Korttila**  
General Counsel, Legal  
Affairs, M&A and Corporate  
Development; Secretary to  
the Board of Directors of  
Alma Media  
In the current position  
since 2007  
Born: 1962  
Member of the Group Exe-  
cutive Team since 2008  
Master of Laws, Master of  
Laws trained on the bench,  
eMBA

**Essential work experience**

- Raisio plc: Executive Vice President and General Counsel, member of the Executive Committee, 2003–2007
- Raisio plc: Executive Vice President, HR and Legal; General Counsel, member of the Executive Committee, 2001–2003
- Raisio plc: Legal Counsel, Chemicals and Benecol divisions, 1997–2001
- Attorney-at-Law, 1990–1997

**Principal positions of trust**

- Advisory Board of Finnish Listed Companies: Member 2008–
- International Chamber of Commerce, Finnish Committee: Member of certain working groups 2006–
- Finnmedia: Communication policy group 2016–

**Alma Media shares held on 31 December 2017:**  
14,305 Alma Media Corporation shares



**Tiina Järvillehto**  
Senior Vice President,  
Alma Media Solutions  
In the current position  
since 2015  
Born: 1970  
Member of the Group  
Executive Team since 2017  
M.Sc. (Econ.)

**Essential work experience**

- Kauppalehti Oy: Director, Sales and Marketing, 2013–2015
- Iltalehti Oy: Director, Sales and Marketing, 2008–2013
- Iltalehti Oy: Director, Customer Relations, 2006–2008
- Iltalehti Oy: Sales Manager, 2004–2006

**Principal positions of trust -**

**Alma Media shares held on 31 December 2017:**  
8,889 Alma Media Corporation shares



**Elina Kukkonen**  
Senior Vice President,  
Communications and  
Brand  
In the current position  
since 2017  
Born: 1970  
Member of the Group  
Executive Team since 2017  
Doctor of Business  
Administration DBA (KTT)

**Essential work experience**

- Alma Media Corporation: Marketing Director, Alma Media Solutions, 2015–
- Kauppalehti Oy: Marketing Manager, 2006–2015
- Gant/Profashion Oy: Product Manager, 2006
- C More Entertainment / Canal+, Sweden: Marketing Manager, 2006
- Kustannus Oy Aamulehti: Marketing Manager, 2003–2006
- Kustannus Oy Aamulehti: Specialist positions, 1999–2003

**Principal positions of trust**

- The Finnish Business School Graduates' society, education policy committee 2016–

**Alma Media shares held on 31 December 2017:**  
0 Alma Media Corporation shares



**Juha-Petri Loimovuori**  
 Managing Director of  
 Alma Talent Oy  
 In the current position  
 since 2016  
 Born: 1964  
 Member of the Group  
 Executive Team since 2006  
 M.Sc. (Econ.)

**Essential work experience**

- Alma Media Corporation: Director, Kauppalehti Group, 2006–2015
- Kustannus Oy Aamulehti: Director, Media Marketing, 2002–2006
- Alma Media Corporation: Head of the media marketing chain, 2004–2006

**Principal positions of trust**

- Oy Suomen Tietotoimisto - Finska Notisbyrå Ab (STT): Member of the Board 2011–

**Alma Media shares held on 31 December 2017:**  
 22,675 Alma Media Corporation shares



**Raimo Mäkilä**  
 Senior Vice President,  
 Head of Alma Markets  
 At Alma Media since 1998  
 (in Aamulehti-yhtymä since  
 1997),  
 In the current position  
 since 1999  
 Born: 1958  
 Member of the Group  
 Executive Team since 1999  
 M.Sc. (Eng.)

**Essential work experience**

- Alma Media Net Ventures Oy: President, 1999–2000
- Alexpress Oy: President, 1998
- Helsingin Sanomat: Director, Services, 1994–1997

**Principal positions of trust: -**

**Alma Media shares held on 31 December 2017:**  
 34,773 Alma Media Corporation shares



**Juha Nuutinen**  
 Chief Financial Officer  
 In the current position  
 since 2012  
 Born: 1972  
 Member of the Group  
 Executive Team since 2012  
 M.Sc. (Econ.)

**Essential work experience**

- University Properties of Finland Ltd: CFO, member of the Executive Team, 2009–2012
- Alma Media Corporation: Group Financial Manager, 2005–2009
- IF P&C Insurance Company: Financial Manager, 2003–2005
- KPMG Oy: Auditor, 1996–2003, APA (from Dec 2000)

**Principal positions of trust -**

**Alma Media shares held on 31 December 2017:**  
 14,187 Alma Media Corporation shares



# Insider Management

Alma Media Corporation's Board of Directors has approved Alma Media Group's Guidelines for Insiders on 21 September 2017. The Guidelines for Insiders are based on the Market Abuse Regulation, Level 2 Commission Regulations and the rules and guidelines issued by the European Securities and Markets Authority (ESMA), and they supplement the valid provisions of NASDAQ Helsinki Ltd's Guidelines for Insiders, Chapter 51 of the Finnish Criminal Code, the Finnish Securities Markets Act and the regulations and guidelines issued by the Finnish Financial Supervisory Authority regarding the management and handling of insider information.

Insiders are divided into two categories at Alma Media Corporation: managers subject to the notification obligation and project insiders.

At Alma Media Corporation, the following shall be considered managers subject to the notification obligation: the Chairman of the Board and the Deputy Chairman, the members of the Board and any deputy members, the CEO and any deputies to the CEO, and the members of the Group Executive Team. Managers subject to the notification obligation shall not trade in the company's financial instruments before the publication of the company's interim reports and financial statement release within a time frame beginning 30 days before the publication of the interim reports and the financial statement release and ending on the day following the publication date ("closed window"). Project insiders shall not trade in Alma Media Corporation's financial instruments until the project in question has ended.

Alma Media Corporation has further decided that the persons involved in the preparation and drafting of Alma Media Corporation's interim reports and financial statement releases. Permanent insiders must not trade with financial instruments issued by the company before the publication of the company's interim reports

and financial statement releases within a time frame beginning 30 days before the publication of the interim reports and the financial statement release and ending on the day following the publication date ("extended closed window"). The extended closed window also applies to persons who, in the course of performing their duties, obtain information on Alma Media Group's sales figures or the sales figures of a business unit that has material significance on the result of the Alma Media Group as a whole.

In conjunction with the entry into force of the Market Abuse Regulation, the company introduced a whistleblowing channel "Almawhistleblow", which is an independent channel for the company's employees to report suspected non-compliance with regulations such as the Market Abuse Regulation and other regulations governing the financial markets.

Alma Media Corporation shall disclose transactions by managers and their closely associated persons involving the company's financial instruments by issuing a stock exchange release in accordance with the Market Abuse Regulation.

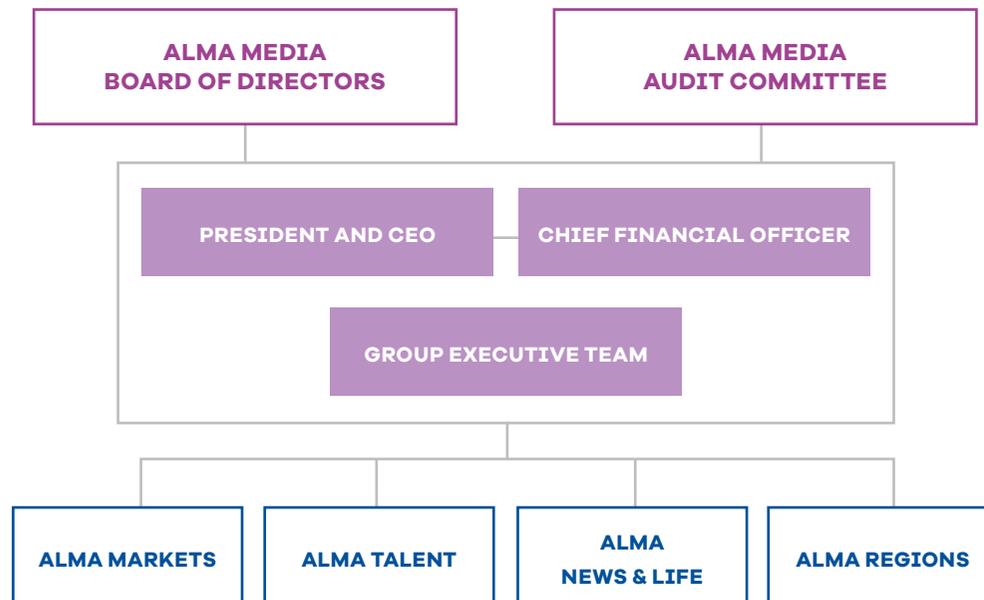
Information concerning the shareholdings of the company's management is updated every day on the Alma Media website: [www.almamedia.fi/en/investors/share-and-shareholders/insider-shareholdings](http://www.almamedia.fi/en/investors/share-and-shareholders/insider-shareholdings)

The Company's General Counsel is responsible for the insider management of the Alma Media Group.

# Internal control and risk management systems in financial reporting

The internal control and risk management systems inherent in Alma Media's financial reporting process aim at ensuring a reasonable certainty of the reliability of the company's financial statements and financial reporting, as well as compliance with legislation and other regulations and generally accepted accounting principles.

## Alma Media's Internal Control and Risk Management Organisation



## Internal Control

Internal control is an essential part of the company's governance and management systems, covering all of the Group's functions and organisational levels. The purpose of internal control is to provide sufficient certainty, for example, that the company will be able to execute its strategy. Internal control is not a separate process; instead, it is part of the company's operations, covering all Group-wide operational principles, guidelines and systems.

## Financial Reporting

The Board of Directors and the President and CEO carry the overall responsibility for organising the internal control and risk management systems for financial reporting. The President and CEO, members of the Group Executive Team and the heads of the business units are responsible for ensuring that the accounting and administration of the areas within their spheres of responsibility comply with legislation, the Group's operating principles and the guidelines and instructions issued by Alma Media Corporation's Board of Directors. In Alma Media Group, the control over business unit administration and accounting is centralised in the Group's financial administration. The financial department, working under the Group CFO, is the centralised source of financial statement data required by external accounting, as well as the analyses and result reports to Group and business unit management teams for following the profitability of business operations. Group internal control practices aim to ensure the correctness of financial reporting within the Group. Business operations and capital management are monitored with the help of the reporting measures outlined hereinabove. The reporting practices also assist in following the implementation of business unit action plans. The financial administration monitors and gives guidance regarding internal control measures and practices based on the Group's operating principles and guidelines.

Alma Media Group follows the International Financial Reporting Standards (IFRS) approved for use within the European Union. Guidelines for financial reporting and accounting principles are collected in an accounting manual that is updated as standards change, as well as the financial department guidelines that are applied

in all Group companies. Group accounting is responsible for the following and observance of the financial reporting standards, maintaining financial reporting principles and communicating them to the business units.

## Risk Management

Risk management is part of Alma Media's financial reporting process and one of the company's significant measures of internal control. At Alma Media Group, the task of risk management is to continuously evaluate and monitor all business opportunities, threats and risks to ensure the achievement of objectives and business continuity.

The Board of Directors carries the primary responsibility for Alma Media's risk management. The Board of Directors considers the most significant identified risks and is in charge of defining the Group's risk appetite and risk tolerance. The Audit Committee prepares for the Board of Directors the risk management principles of the Group and monitors the efficiency of the risk management systems. The Audit Committee also discusses the management reports on significant risks and the company's exposure to them as well as considers the plans to minimise risks.

The CEO, the Group Executive Team and other managers in the Group at all organisational levels are responsible for daily risk management. In each business unit, a member of the unit's executive group, usually the person in charge of the finances, is responsible for risk management and reporting on risk management operations.

The risk management process identifies the risks, develops appropriate risk management methods and regularly reports on risk issues to the risk management organisation and the Board of Directors. Risk management is part of Alma Media's internal control and, thus, is part of good corporate governance. Alma Media sets limits to and procedures for quantitative as well as qualitative risks in writing in its risk management system. Alma Media classifies its business risks as strategic, operational and financing risks. The financing risks are described in more detail in the notes to the consolidated financial statements.

The most critical strategic risks for Alma Media are a significant drop in its print newspaper readership and a decrease in the online audience of digital media, a permanent decline in advertising sales and a significant increase in distribution and delivery costs. The group subscriptions of the major financial and technology-related magazines are significant in scale. Changes to the subscription agreements could have a substantial impact on the magazines' total subscription volumes. The media industry is undergoing changes following the transformation in media

consumption and technological development. Alma Media's strategic objective is to meet this challenge by developing digital products and services for consumers and businesses.

Fluctuating economic cycles are reflected in the development of advertising sales. Advertising sales account for approximately half of the Group's revenue. Business operations outside Finland, such as in Eastern and Central European countries, include country-specific risks relating to market development and economic growth. The expansion of business outside Finland has reduced the risks inherent in operating in one market area.

Disturbances of information technology and communications, cyber risks and the disruption of printing are the most important operational risks.

## Strategic, operational and financial risks in Alma Media's business, and risks related to sustainable media business, and the actions taken to mitigate them

RISK	RISK DEFINITION	RISK MITIGATING ACTIONS
<b>Strategic risks</b>		
Change in media consumption	Industry transformation following trends in media consumption and technological development. The capacity of product and service development to assess changes in consumer behaviour or invest in the appropriate technological service solutions.	Business development driven by customer needs. Measures to promote digital business competitiveness. Sufficient investments and resources in research and development.
Printed and digital media audiences	A significant drop in subscribers and readers, a drop in online service subscribers and users, a permanent decline in advertising sales and a significant increase in distribution and delivery costs.	Maintaining and developing an interactive media-reader relationship, customer satisfaction surveys, Alma Media's internal cooperation in content production, content sales, advertising sales, support functions and product development. Own distribution network, distribution partnerships and cooperation with publishers.
Group subscriptions of magazines	Changes in the group subscriptions of the major financial and technology-related magazines.	Customer satisfaction surveys and continuous service development based on the results, in cooperation with group subscribers.
Fluctuating economic cycles	Advertising represents a significant share of revenue and is sensitive to general economic cycles.	Service business development, continuous analysis and monitoring of the operating environment, preparedness to implement structural changes as necessary, active development of the existing business, diversification of revenue sources, geographic diversification of business.
Changes in legislation	Potential changes in legislation concerning information security and taxation.	Internal training, monitoring legislation, building processes for legally required changes in the organisation.
Country-specific risks	Business operations involve country-specific risks relating to market development and economic growth. Geographic diversification and internationalisation help reduce the country-specific risk of the domestic market.	Ongoing market development analysis, monitoring and analysing Group- and country-specific risks.
Customer data	The ability to utilise the growing amount of customer data in delivering better and more targeted service solutions. The capacity of product and service development to anticipate changes in customer needs.	Business development driven by customer needs. Measures to promote digital business competitiveness and data management. Sufficient investments and resources in data management and systems.
<b>Operational risks</b>		
Disturbances of information technology and communications	Reliability of information networks.	Contingency plans, decentralised server solutions, cloud computing, ensuring sufficient competencies.
Cyber risks	The risk of being targeted by information security attacks and data theft.	Contingency plans and risk management actions, ensuring sufficient competencies, insurance.
Disruption of printing operations	Disruption of printing operations due to an accident, mechanical fault or information system error.	Contingency and restoration plans, back-up arrangements, customer communication, preparedness for crisis communication.
Competence	Technological development and the demands of new technology increase the risk of obtaining and maintaining sufficient competencies.	HR strategy, creating commitment in key individuals, additional resource allocation and trainee programmes, employee well-being
<b>Financial risks</b>		
Refinancing risk	The company is unable to renew maturing financing agreements.	Treasury policy, financing plan and agreements, sufficiently long maturity of loans, sufficient equity ratio.
Liquidity risk	The company is unable to cover its maturing obligations in the short term.	Treasury policy, financing limit agreements of sufficient size.
Interest and foreign exchange risks	A change in an interest rate or currency exchange rate causes a significant impact on the company's profit or balance sheet position.	Treasury policy and the hedging principles defined therein.



Alma Media's business risks are also related to responsible journalism and responsible marketing. A summary of these risks and the actions taken to mitigate them is provided below. Alma Media also reports on risks related to corporate responsibility and the methods used to manage them in its Non Financial Information Report.

RISK	RISK DEFINITION	RISK MITIGATING ACTIONS
Responsible journalism	<p>Direct and indirect attempts at deception and influence over media and citizens.</p> <p>Monitoring content in the digital operating environment is more challenging.</p> <p>Erosion of customer loyalty towards traditional media.</p>	<p>Developing editorial teams' practices and employee competence.</p> <p>Reader satisfaction surveys, customer contacts and feedback.</p> <p>Participation in industry events and organisations.</p>
Responsible marketing	<p>Monitoring content, advertising and services in the digital operating environment is more challenging.</p>	<p>Publishing advertising that complies with good marketing practices, avoiding advertising that disrupts the reading experience.</p> <p>Improving the quality and management of digital advertising through technology acquisition, investing resources in the competence of employees and partners, developing practices in the marketing communications industry.</p>

### Internal Audit

Given the nature and scope of its business, Alma Media Corporation does not consider it expedient to have a separate internal audit organisation. Internal audit functions have been incorporated into the responsibilities of Alma Media Corporation's financial administration. Reviewing the functionality of internal controls is also taken into account in the external auditors' audit plans. Internal audits look at the functionality and efficiency of the various processes using flow tests and control tests.

# Auditing

The General Meeting of Shareholders annually elects an auditor for the company. The auditor must be an authorised audit firm approved by the Central Chamber of Commerce in Finland. The term of office of the auditors expires at the close of the Annual General Meeting following their election. The auditor's task is to ensure that the financial statements are prepared in accordance with current regulations and that they provide correct and sufficient information on the company's result, financial position and other aspects of the business for the stakeholders. As part of their annual auditing assignment, the auditors of Alma Media audit the accounting and administration of the business units. The requirements set by the internal audit are taken into account in the audit plans.

The auditors submit their report to Alma Media Corporation's shareholders at the Annual General Meeting. Furthermore, the auditors submit an annual summary of their auditing plan and a written report on the entire Group to the Board of Directors in conjunction with the publication of each interim report and the annual financial statements. They also provide regular reports on the business units to the Group's financial management and reporting unit managements.

Alma Media Corporation's Annual General Meeting 2017 elected Authorised Public Accountants PricewaterhouseCoopers Oy as the company's auditors, with Markku Launis, Authorised Public Accountant, as the principal auditor. As a rule, PricewaterhouseCoopers is the auditor of the subsidiaries of Alma Media Group.

Alma Media Group's auditing fees for 2017 amounted to EUR 281,000. In addition, the auditing firm PwC charged the Group a total of EUR 54,000 in fees for other services in the 2017 financial year, including, among other things, services related to corporate responsibility reporting. PwC has served as the auditor since 2014.

# Remuneration Statement

Alma Media Corporation applies the currently valid Finnish Corporate Governance Code 2015 for listed companies, issued by the Securities Market Association on 1 October 2015, in its unaltered form. This Remuneration Statement has been prepared in accordance with the Corporate Governance Code recommendations concerning the reporting of remuneration. The Finnish Corporate Governance Code for listed companies can be reviewed on the website of the Securities Market Association at [www.cgfinland.fi](http://www.cgfinland.fi) and on Alma Media's website.

## Remuneration of the Members of the Board of Directors

The Annual General Meeting of Alma Media Corporation decides on the remuneration of the Board members. Alma Media's Nomination Committee's duties include preparing proposals related to the election and remuneration of the members of the Board of Directors to the Annual General Meeting.

In accordance with the proposal of the Nomination Committee, the Annual General Meeting held on 22 March 2017 decided that the remuneration of the Board of Directors be kept unchanged, and that the following annual remuneration be paid to the members of the Board of Directors to be elected at the Annual General Meeting for the term of office ending at the close of the Annual General Meeting 2018: to the Chairman of the Board of Directors, EUR 40,000 per year; to the Vice Chairman, EUR 32,000 per year, and to members EUR 27,000 per year.

Additionally, and in accordance with the resolution of the 2016 Annual General Meeting, the Chairmen of the Board and its Committees are paid a fee of EUR 1,000, Vice Chairmen a fee of EUR 700 and members a fee of EUR 500 for each Board and Committee meeting that they attend. The Board members' travel expenses will be compensated in accordance with the company's travel policy.

The members of the Board shall, as decided by the Annual General Meeting, acquire a number of Alma Media Corporation shares corresponding to approximately 40% of the full amount of the annual remuneration for Board members, taking into account tax deduction at source, at the trading price on the regulated market arranged by the Helsinki Stock Exchange. Members of the Board are required to arrange the acquisition of the shares within two weeks of the release of the first quarter 2017 interim report or, if this is not possible due to insider trading regulations, as soon as possible thereafter. If it was not possible to acquire the shares by the end of 2017 for a reason such as pending insider transactions, the remuneration shall be paid in cash.

Shares acquired in this way cannot be transferred until the recipient's membership of the Board has expired. The company is liable to pay any asset transfer taxes which could arise from the acquisition of shares.

The members of the Board of Directors were paid the following fees (EUR) for their work on the Board and its committees in 2017, with comparison data from the previous financial period:

Year	Name	Position	Board meetings			Audit Committee	Nomination and Compensation Committee	Fees total
			Annual fee	Annual fee paid in shares, no. of shares*	Meeting fees			
2017	Harri Suutari	Chairman	40,000	2,841	13,000	-	2,000	55,000
2016	Harri Suutari	Chairman	40,000	6,015	14,000	-	500	54,500
2017	Petri Niemisvirta	Deputy Chairman	32,000	2,273	9,800	-	4,000	45,800
2016	Petri Niemisvirta	Deputy Chairman	32,000	3,499	9,100	-	2,000	43,100
2017	Niklas Herlin	Member	27,000	1,918	5,500	-	1,500	34,000
2016	Niklas Herlin	Member	27,000	2,953	7,000	-	1,000	35,000
2017	Matti Korkiatupa	Member	27,000	1,918	7,000	2,500	-	36,500
2016	Matti Korkiatupa	Member	27,000	2,953	5,500	2,000	-	34,500
2017	Esa Lager	Member	27,000	1,918	6,500	5,000	-	38,500
2016	Esa Lager	Member	27,000	3,580	7,000	5,000	500	39,500
2017	Catharina Stackelberg-Hammarén	Member	27,000	1,918	7,000	2,500	-	36,500
2016	Catharina Stackelberg-Hammarén	Member	27,000	2,953	7,000	2,500	-	36,500
2017	Mitti Storckovius	Member	27,000	1,918	7,000	-	2,000	36,000

Year	Name	Position	Board meetings			Audit Committee	Nomination and Compensation Committee	Fees total
			Annual fee	Annual fee paid in shares, no. of shares*	Meeting fees			
2016	Mitti Storckovius	Member	27,000	4,232	5,500		500	33,000

\*The number of shares corresponds to approximately 40% of the full amount of the annual fee after taxation

In the financial year 2017, the fees paid on an accrual basis to the Board members totalled EUR 282,300.

Members of the Board of Directors of Alma Media Corporation do not have an employment relationship with the company. They are not included in the share-based incentive plans or other incentive programmes of Alma Media and have not received any other financial benefits.

## Remuneration of the President and Ceo and the Top Management

The Board of Directors of Alma Media Corporation decides on the salary and reward scheme of the parent company's President and CEO and the CEO's direct subordinates, on the basis of the proposal of the Nomination and Compensation Committee.

The reward scheme of the President and CEO of Alma Media Corporation and other senior management consists of a fixed monetary salary (monthly salary), fringe benefits (company car and mobile telephone benefit, and housing benefit for the President & CEO), an incentive bonus related to the achievement of financial and operational targets (short-term reward scheme) and a share-based incentive scheme for key employees of the Group (long-term reward scheme), as well as a pension benefit for management. Eligibility for remuneration programmes is determined by the job.

The principles of Alma Media's management incentive programme follow the terms and conditions of Alma Media's incentive programme, based on the principle of continuous improvement of performance. The incentive bonus for members of the Group Executive Team and heads of business units may be no more than 40% of their respective annual salaries. The incentive bonus of Alma Media Corporation's President and CEO may be up to 60% of his annual salary.

The incentive bonus is defined for each calendar year based on three criteria: meeting Alma Media Group's financial targets (weight 40%), meeting the business unit's financial targets (weight 40%) and meeting personal performance targets (weight 20%).

In 2017, the President and CEO of Alma Media Corporation received a total of EUR 944,682 in salary, rewards and benefits, of which EUR 281,898 was based on the incentive bonus scheme and EUR 167,265 on the share-based incentive scheme. The total amount of salaries, rewards and benefits paid to other members of the Group Executive Team was EUR 2,431,774, of which EUR 417,832 was based on the incentive bonus scheme and EUR 334,530 on the share-based incentive scheme.

	Annual salary	Performance-based bonuses	Fringe benefits	Option benefits	Share-based payments
<b>President &amp; CEO</b>					
2017	442,689	281,898	52,830		167,265
2016	445,783	195,043	49,601		
2015	402,210	102,509	48,166		
2014	429,475	20,000	47,478	830	
<b>Group Executive Team</b>					
2017	1,590,915	417,832	88,497		334,530
2016	1,349,769	206,914	86,467		
2015	1,297,042	136,732	82,093		
2014	1,264,934	41,000	82,026	583	

## Incentive Schemes

### Share-Based Incentive Scheme (LTI 2015)

#### Scheme launched in 2015

In 2015, the Board of Directors of Alma Media Corporation approved the establishment of a long-term share-based incentive scheme for the key management of Alma Media (hereinafter referred to as “LTI 2015”).

The objective of LTI 2015 is to align the interests of the participants with those of Alma Media’s shareholders by creating a long-term equity interest for the participants and, thus, to increase the company value in the long term as well as to drive performance culture, to retain participants and to offer them with competitive compensation for excellent performance in the company.

LTI 2015 consists of annually commencing individual plans, each subject to separate Board approval. Each of the individual plans consists of three main elements: an investment in Alma Media shares as a precondition for participation in the scheme, matching shares based on the above share investment and the possibility of earning performance-based matching shares.

#### The Matching Share Plan

In the matching share plan, the participant receives a fixed amount of matching shares against an investment in Alma Media shares. In the first matching share plan, which commenced in 2015 (LTI 2015 I), the participant receives two matching shares for each invested share free of charge after a two-year vesting period, provided that the other conditions stipulated for the receipt of the share-based incentive by the terms of the plan are still satisfied at the time.

#### The Performance Matching Plan

The performance matching plan comprises a five-year performance period in total. The potential share rewards will be delivered in tranches after three and five years if the performance targets set by the Board of Directors are attained.

The performance measures used in the first performance matching plan, which commenced in 2015, are based on the company’s profitable growth and share value. If the performance targets set by the Board of Directors are attained in full, the participant will receive in total four matching shares for each invested share free of charge, provided that the other conditions stipulated for the receipt of the share-based incentive by the terms of the plan are still satisfied at the time.

### Share-based incentive schemes started in 2016 and 2017: LTI 2015 II and LTI 2015 III

On 17 March 2016, the Board of Directors of Alma Media Corporation decided on a share-based incentive scheme to be launched in 2016 based on the LTI 2015 scheme (LTI 2015 II) and, on 22 March 2017, the Board made a corresponding decision on a share-based incentive scheme to be launched in 2017 (LTI 2015 III). The main terms of the incentive schemes correspond to those of the share-based incentive scheme that was launched in 2015.

The Board of Directors has estimated that no new shares will be issued in connection with LTI 2015. Therefore, the plan will have no dilutive effect on the number of the company’s registered shares.

The Annual General Meeting of Alma Media Corporation held on 17 March 2016 authorised the Board of Directors to decide on the repurchase of a maximum of 824,000 shares in one or more lots, and further authorised the Board of Directors to decide on a share issue by transferring shares in possession of the company to implement incentive programmes.

The allocation and maximum reward potential of the share-based incentive scheme for the President and CEO and the Group Executive Team: The information covers the LTI I, LTI II and LTI III schemes:

Share-based incentive scheme LTI 2015	Based on share investment (shares max)	Performance matching (shares max)	Maximum number of people entitled to participate
LTI I Launched in 2015	159,000	318,000	35
LTI II Launched in 2016	159,000	390,000	43
LTI III Launched in 2017	195,000	390,000	44

	Based on share investment (shares max)			Performance matching (shares max)		
	2015	2016	2017	2015	2016	2017
Kai Telanne, President and CEO	30,000	34,000	36,000	60,000	68,000	72,000
Santtu Elsinen	-	6,000	9,000	-	12,000	18,000
Kari Juutilainen	10,000	-	-	20,000	-	-
Virpi Juvonen	4,000	6,000	4,000	8,000	12,000	8,000
Tiina Järvilehto	-	-	6,000	-	-	12,000
Kari Kivelä	10,000	10,000	13,000	20,000	20,000	26,000
Mikko Korttila	6,000	8,000	9,000	12,000	16,000	18,000
Juha-Petri Loimovuori	10,000	13,000	13,000	20,000	26,000	26,000
Raimo Mäkilä	10,000	13,000	13,000	20,000	26,000	26,000
Juha Nuutinen	6,000	8,000	9,000	12,000	16,000	18,000

## Severance Pay

The period of notice of the President and CEO of Alma Media Corporation, Mr Telanne, is six months. In addition, he has a director contract under which he is entitled to a compensation corresponding to his base salary for 12 months if he is dismissed by the employer without being in breach of contract. This compensation corresponding to the 12-month salary is not paid if the President and CEO resigns on his own initiative. Alma Media's Board of Directors decides on the appointment and, as necessary, dismissal of the President and CEO.

The period of notice for the other members of Alma Media Group's Executive Team is six months. In addition, members of the Executive Team will receive a compensation corresponding to their respective basic salaries for six months in the event that the dismissal is initiated by the employer without the members' own fault or negligence. The terms of employment of the other members of the Executive Team are decided on by the Board of Directors based on the proposal of the Nomination and Compensation Committee. The President and CEO appoints and, if necessary, dismisses the other members of the Executive Team.

## Pension Agreements

The CEO of Alma Media Corporation and members of the Group Executive Team have a defined contribution group pension plan. Pension accumulates at a rate of 15–37% of annual earnings depending on when the person in question became a member of the Group Executive Team. The retirement age is 60 years, at which time the payment of insurance premiums terminates. The pension is determined on the basis of the insurance savings accrued by the time of retirement. Retirement can be postponed up to 70 years of age. In such cases, the pension is determined by the accrued savings adjusted with the value development of the investments.

The terms and conditions of the group pension plan for Alma Media's President and CEO and the other members of the Executive Team give the insured persons, after three-year insurance coverage, the right to receive a premium-free policy corresponding to the savings accrued until the termination of employment (paid-up policy). The paid-up policy includes old-age pension after retirement age, coverage for incapacity for work and coverage in the event of death. In 2017, the expenses related to the group pension plan for Alma Media's President and CEO totalled EUR 234,683 and for the other members of the Group Executive Team EUR 421,787. In total, the group pension plan expenses amounted to EUR 656,470.

Kai Telanne has held the position of President and CEO at Alma Media Corporation since 2005. The information presented on Alma Media's website on other Executive Team members includes information on when they started in their current positions.

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