

## **Report of the operations of the shareholders' nomination committee of Alma Media Corporation in the period 2015–2016**

The General Meeting of Shareholders of Alma Media Corporation, held on 17 March 2015, decided, based on the proposal of the Board of Directors of Alma Media Corporation, to set up a Nomination Committee composed of Alma Media's Shareholders. 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 Nomination Committee was set up on 3 November 2015. Based on the ownership situation on 30 September, the following representatives of the four largest shareholders were appointed to be members of the Nomination Committee: Timo Aukia, Chairman of the Board of Directors, Ilkka Group; Niklas Herlin, Chairman of the Board of Directors, Mariatorp; Carita Antell, Member of the Board of Directors, Kaleva; and Timo Sallinen, Head of Listed Securities, Varma Mutual Pension Insurance Company. In addition, the Chairman of the Board of Directors of Alma Media Corporation, Harri Suutari, has acted as an expert member in the Nomination Committee. The Nomination Committee elected Timo Aukia as its Chair and Chief Legal Officer Mikko Korttila as Secretary.

### **Meetings**

The Nomination Committee convened on 3 November 2015, 1 December 2015 and 21 January 2016.

All members of the Nomination Committee attended the meetings.

### **Proposals by the Nomination Committee**

#### Number of members of the Board of Directors

The Nomination Committee deemed the current number of members of the Board of Directors appropriate and decided to propose to the Annual General Meeting that the number of the members of the Board be confirmed to be seven.

#### Composition of the Board of Directors

The Nomination Committee endeavours to recruit diverse and extensive competence that supports the relevant strategic goals to the Board of Directors.

Of the current Board Members, Perttu Rinta and Erkki Solja had announced that they would be unavailable as members of the Board of Alma Media Corporation.

The Nomination Committee decided to propose to the Annual General Meeting that the following current Board members be re-elected for the term ending at the close of the following Annual General Meeting: Niklas Herlin, Esa Lager, Petri Niemisvirta, Catharina Stackelberg-Hammarén and Harri Suutari. The Committee further proposed that Matti Korhio, Managing Director of Ilkka-Yhtymä Oyj, and Mitti Storckovius, Head of Business Analytics in Devices Marketing at Microsoft, be

elected as new Board members for the same term of office. The personal details of the current members of the Board and information on their positions of trust can be found on the company website at [www.almamedia.fi/sijoittajille/hallinto/hallitus](http://www.almamedia.fi/sijoittajille/hallinto/hallitus).

Matti Korkiatupa (born 1955, agronomist) has served as the Managing Director of Ilkka-Yhtymä Oyj since 1999. Korkiatupa is a Member of the Board of Arena Partners Ltd, Alma Mediapartners Oy, Lännen Media Oy, and the Finnish Newspapers Association.

Mitti Storckovius (born 1971, Master of Political Sciences, MBA) held positions at Nokia Ltd between 2004 and 2014, and since 2014 has assumed responsibility for the planning of Microsoft's phone business and marketing analytics.

Shareholders representing more than half of Alma Media shares and voting rights had notified that they support the Nomination Committee's proposal.

#### Proposal for the remuneration of the Board of Directors

The Nomination Committee proposed to the Annual General Meeting that the remuneration of the Board of Directors be increased, as it has remained unchanged since 2011, 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 2017: to the Chairman of the Board of Directors EUR 40,000 (previously 33,000) per year, to the Vice Chairman EUR 32,000 (previously 27,000) per year, and to members EUR 27,000 (previously 22,000) per year.

Additionally, and in accordance with the resolution of the 2015 Annual General Meeting, the Chairmen of the Board and committees would be paid a fee of EUR 1,000, Vice Chairmen a fee of EUR 700, and members a fee of EUR 500 for those Board and committee meetings that they attend. It was proposed that Board members' travel expenses be compensated in accordance with company travel regulations.

The members of the Board would, 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 obligated to arrange the acquisition of the shares within two weeks of the release of the first quarter 2016 interim report or, if this is not possible because of insider trading regulations, at the earliest possible time thereafter. If it is not possible to acquire the shares by the end of 2016 for a reason such as pending insider transactions, the remuneration shall be paid in cash. Shares acquired in this way may not be transferred until the recipient's membership on the Board has expired. The company is liable to pay any asset transfer taxes which may arise from the acquisition of shares.

#### Expenses of the Nomination Committee

The members of the Nomination Committee are not entitled to receive a remuneration from the Company for their participation in the Nomination Committee. The Board members' travel expenses will be compensated in accordance with the company's travel policy. The members of the Nomination Committee have not accrued any travel expenses to be reimbursed.

The operations of the Nomination Committee have not required any external expert expenses.

Helsinki, 22 January 2016

Timo Aukia  
Chairman of the Nomination Committee