

Corporate Governance in 2010

General Meeting

The Annual General Meeting was held in Helsinki on 31 March 2010. The Extraordinary General Meeting was held in Helsinki on 15 June 2010.

Board of Directors

The Annual General Meeting on 31 March 2010 elected 6 members to the Board of Directors, one of whom was elected Chairman of the Board and one Deputy Chairman.

The Chairperson of the Board is Merja Strengell, the Deputy Chairperson is Kai Telanne, and the other members of the Board are Joachim Berner, Harri Kainulainen, Eero Lehti and Atte Palomäki.

Meetings of the Board of Directors

In 2010, the Board of Directors convened 11 times with an average attendance rate of 92 per cent.

Fees of the Board of Directors

The Annual General Meeting confirms the remuneration paid to the Board of Directors. The Board's monthly fees decided

at the Annual General Meeting on 31 March 2010 are as follows: EUR4,000 for the Chairperson, EUR 2,500 for the Deputy Chairperson and EUR2,000 for members.

Chief Executive Officer

Talentum Oyj's Chief Executive Officer is Juha Blomster.

Terms and conditions of the CEO's employment relationship

The CEO has a written executive contract, the terms and conditions of which have been approved by the Board. Under his contract, CEO Juha Blomster has the right to retire at the age of 60. His pension will be 60 per cent of his salary. CEO Juha Blomster's period of notice to terminate his employment contract is six months. If the employment relationship is terminated through no fault of the CEO, he will receive severance pay equal to nine months' salary in addition to the pay due to cover the normal period of notice.

Group Executive Management

The Chairperson of the Group Executive Management is the CEO. In 2010, in addition to Juha Blomster, the Group Executive Management consisted of Hanna Kivelä (from 1 November, 2010), Kaisa Kokkonen, Mika Malin, Ulla Martola and Lasse Rosengren.

The duties of the Group Executive Management include ensuring implementation of the strategy, monitoring financial performance, annual planning, corporate restructuring and other significant

matters. In addition, the Group Executive Management deals with financing and investments, as well as communications. The Group Executive Management generally meets twice a month.

Salary and bonuses paid to the CEO and other members of the Group Executive Management

The Board of Directors approves the CEO's salary and that of those reporting directly to him, including annual bonuses and the management bonus scheme. The Group Executive Management decides the salary level and bonuses of line management. The salary levels in the Group are monitored through a system in which each manager's superior approves the principles related to the terms and conditions of the employment relationships of their own subordinates.

Auditing

The Annual General Meeting elects an APA (Authorised Public Accountant) as auditor annually. The auditor is Authorised Public Accountants PricewaterhouseCoopers Oy,

with APA Juha Wahlroos (born 1956) acting as the accountable auditor.

Auditor's fees

In 2010, the auditor was paid EUR 92 thousand for the audit plus the sum of EUR 52 thousand for additional services not relating to the audit.

Insiders

Details of the share ownership of those regarded as insiders at Talentum Oyj and obliged to give notification can be found on the company's website at www.talentum.fi, where the information is updated from the NetSire system maintained by Euroclear Finland Oy.

Details of the share ownership of those regarded as insiders at Talentum Oyj and obliged to give notification 1 Jan–31 Dec 2010. Others regarded as insiders and obliged to give notification held no Talentum shares on 31 December 2010.

Details of the share ownership of those regarded as being insiders at Talentum Oyj and obligated to give notification 1 Jan–31 Dec 2010

	Total number of shares 31 Dec 2010	Change: 1 Jan–31 Dec 2010
Blomster Juha	17,850	-
Kokkonen Kaisa	3,000	+ 3,000
Malin Mika	8,925	-
Rosengren Lasse	10,710	-
Lehti Eero, and Suomen Lehtiyhtymä Oy, which is 95 per cent owned by him and his family	32,062	-

Others regarded as insiders and obliged to give notification held no Talentum shares on 31 December 2010.