

Corporate Governance in 2011

General Meeting

The Annual General Meeting was held in Helsinki on 1 April 2011.

Board of Directors

The Annual General Meeting on 1 April 2011 elected 6 members to the Board of Directors, one of whom was elected Chairperson of the Board and one Vice Chairperson.

The Chairperson of the Board is Kai Telanne, the Vice Chairperson is Merja Strengell, and the other members of the

Board are Aarne Aktan (until 30 November 2011), Joachim Berner, Atte Palomäki and Henri Österlund.

Meetings of the Board of Directors

In 2011, the Board of Directors convened 9 times with an average attendance rate of 94%.

Chief Executive Officer

Talentum Oyj's Chief Executive Officer was Juha Blomster until 28 October 2011. Executive Vice President Lasse Rosengren was Chief Executive Officer until 1 December 2011, at which point CEO Aarne Aktan assumed the role.

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.

CEO Juha Blomster gave notice to terminate his employment on 16 June 2011 and retired from the company's service on 28 October 2011. Juha Blomster's period of notice to terminate his employment was six months, and he would have had the right to retire at the age of 60. His pension would then have been 60 per cent of his salary. CEO Aarne Aktan assumed the role on 1 December 2011. Aarne Aktan's period of notice to terminate his employment is nine months on both parties. The CEO's pension is determined according to the Employee Pensions Act in force. There is no separate pension plan in place.

Group Executive Management

The Chairperson of the Group Executive Management is the CEO. In 2011, in addition to Juha Blomster (until 28 October 2011) and Aarne Aktan (from 1 December 2011), the Group Executive Management consisted of Hanna Kivelä, Mika Malin, Ulla Martola, Niclas Köhler and Lasse Rosengren.

The Group Executive Management meets under the leadership of the CEO approximately twice a month to discuss the Group's strategy, risk management, internal monitoring, annual planning, financial performance, corporate restructuring and other important operative matters.

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

The Board of Directors approves the salary of the CEO and those staff members who report 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 own 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 2011, the auditor was paid EUR 125 thousand for the audit plus the sum of EUR 65 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 2011

	Total number of shares on 31 Dec 2011	Change 1 Jan–31 Dec 2011
Blomster Juha, CEO (until Oct. 28, 2011)	17,850	-
Malin Mika, GEM	8,925	-
Rosengren Lasse, GEM	10,710	-

Others regarded as insiders and obliged to give notification held no Talentum shares on 31 December 2011.