alma

ANNUAL REPORT 2021

Content

* Audited

CEO's review: Strong growth both organically and through acquisitions

The year 2021 was a significant milestone in the evolution of an increasingly competitive Alma Media.

Alma Media had a successful year in 2021 by every measure. We achieved strong growth on a broad front.

Our revenue grew by nearly 20 per cent and exceeded MEUR 275. At the same time, our profitability was excellent: our adjusted operating profit grew by nearly 35 per cent, reaching MEUR 61. Our strong performance in an operating environment that was characterised by unpredictability and volatility due to the COVID-19 pandemic is proof of our agility and adaptability as well as the effectiveness of our strategy.

The year 2021 was a significant milestone in the evolution of an increasingly competitive and digital Alma Media. In spring 2021, we completed our largest-ever acquisition by acquiring Nettix, the leading marketplace for motor vehicles. Following this acquisition, we have strong business cornerstones in areas that represent the most significant investments in consumers' lives – housing and mobility – along with Finland's leading digital advertising network. In addition, the Group acquired full ownership of the Alma Career recruitment business and the product portfolio was expanded in digital housing transactions as well as advertising and recruitment business technologies. We revised our segment structure and discontinued our use of the segment name Alma Markets. The changes stem from our aim of making more efficient use of the synergies between digital media and services as well as the growth opportunities provided by digital commerce in the marketplaces business.

Our divestments continued with the sale of the construction and housing ERP system Talosofta.

Business development in 2021 was again affected by the COVID-19 pandemic. Its impacts varied between businesses during the year under review, and the

situation was turbulent through the year due to new virus variants and changes in the number of infections. Overall, the economic uncertainty caused by the pandemic nevertheless decreased substantially compared to the first year of the pandemic in 2020. This was due to the improving vaccination coverage and the recovery of confidence among companies and individuals. We transitioned flexibly from the largely remote work-based model we used in 2020 to a multi-local model where the COVID-19 situation allowed it.

Alma Media's revenue grew substantially due to the release of pent-up demand in the recruitment and advertising markets as well as the strong development of digital business. Alma Media's marketplaces grew by 34.2%, media by 7.5% and services by 17.3%.

Employee satisfaction is at a record-high level. The team is in good shape to take on the challenges presented by 2022.

Alma Career's revenue grew by 31% and the segment's adjusted operating profit was 36.6% of revenue. The turbulent COVID-19 situation meant that shutdown measures by the authorities continued in Eastern Central Europe in the latter part of the year, but the impacts on Alma Career's client companies were less dramatic than in 2020. This was reflected in a high level of customer invoicing. Due to the delay between invoicing and the recognition of revenue, the record-high customer invoicing will continue to boost the revenue performance of the recruitment business in the first half of 2022. Our recruitment portals listed 850,000 vacancies in 150,000 companies in 11 countries during the year. The total number of visitors to our portals was 80 million and the number of job alerts was 20 million.

In the Alma Talent segment, revenue increased by 4.8%. We reached a new milestone in digital business when its share of of the segment's revenue exceeded 55%, with the rate of growth being 23.8%. The development of digital services was strong and advertising recovered significantly compared to the previous year. The popularity of digital housing transactions grew rapidly. In November 2021, for example, a third of all transactions for shares in housing companies facilitated by real estate agents were carried out digitally.

Digital content revenue grew by 24.8% in Talent Media. Talent Services grew by 18.9%. HR investments in product development and sales were increased in the latter part of the year with the aim of ensuring long-term competitiveness.

In Alma Consumer, revenue grew by 35.2% and digital business accounted for 81.0% of revenue. Revenue from the media business increased by 17.9% and the growth of digital advertising was particularly strong at 25.7%.

Programmatic advertising buying performed well, as did advertising in the housing and mobility categories. Iltalehti became Finland's largest news media in the autumn. Its online and print versions had a total of 2,880,000 weekly readers according to the Finnish National Readership Survey (NRS). The Iltalehti Plus service, which gives readers access to all Iltalehti content, saw rapid growth in subscriptions in the latter part of the year. Acquired businesses, namely Nettix Oy and a 60% stake in Netello Systems Oy, which specialises in digital marketing solutions, were integrated into the segment. The shared journey has got off to a good start and the optimisation of processes is continuing.

While the significant acquisitions carried out during the period under review increased our debt ratio, our good profit performance and strong cash flow substantially improved our financial solidity in the latter part of the year. We renewed our long-term MEUR 200 financing arrangement and also set new long-term financial targets.

During the review period, we raised the bar for Alma Media to a considerable degree to maintain our position as an industry leader in sustainability. We defined new sustainability criteria for Alma Media along with related targets and actions, which will be put into action throughout the Group starting from the beginning of 2022.

Going forward, sustainability targets will be incorporated into our employees' incentive schemes.

Our recently completed surveys indicate that employee satisfaction is at a record-high level. The team is in good shape to take on the challenges presented by 2022.

I want to take this opportunity to express my gratitude to our employees for their strong contribution to the company and I also want to thank our stakeholders for their trust and excellent cooperation in 2021!

Kai Telanne
President and CEO

The impacts of the COVID-19 pandemic lessened in 2021

Advertising saw a strong recovery from the previous year's COVID-19 slump, although uncertainty remained.

Corporate customers were active in recruitment.

Consumers spent some of the savings they have accumulated during the pandemic on consumer durables, such as housing and renovation.

COVID-19 precautions were continued to safeguard customer health and well-being.

The demand for up-to-date and reliable information remained high. Media audiences were large and media content included news on coping with the crisis.

Alma Media's special working group monitored the development of the pandemic. Internal communication, updated safety guidelines, occupational health-related guidelines and support for supervisory work were actively provided. Employee well-being was monitored and attention was paid to psychological coping and the ergonomics of remote work.

The restrictions on movement introduced to prevent the spread of the COVID-19 pandemic and the remote work model for employees also led to a low level of company car use, flying and business travel. Office utilisation rates remained low, which kept the company's electricity consumption lower than normal. The reduced transport, delivery and mobility, combined with the low utilisation rate of business premises, reduced the emissions generated by the company's own operations and the subcontracting chain, which are discussed in more detail in our sustainability report.

Restrictions on business activities had a negative impact on the economic operating conditions of companies but, at the same time, these effects were compensated by various financial support packages offered by public institutions.

Business impacts of the COVID-19 pandemic

While the COVID-19 situation changed as the year went on, its overall impact on Alma Media's business was substantially lower than in the previous year. Vaccination coverage in our operating countries increased in the second half of the year, but the pandemic then accelerated again in the late autumn.

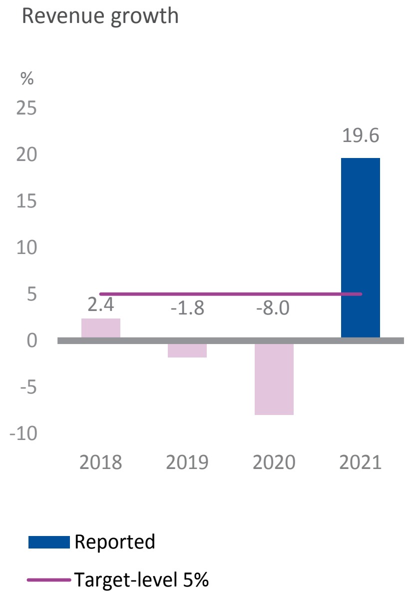
Consumers have spent some of the savings they have accumulated during the COVID-19 pandemic on consumer durables. The demand for construction and renovation products has been particularly strong, which has been reflected in our housing-related marketplaces, for example.

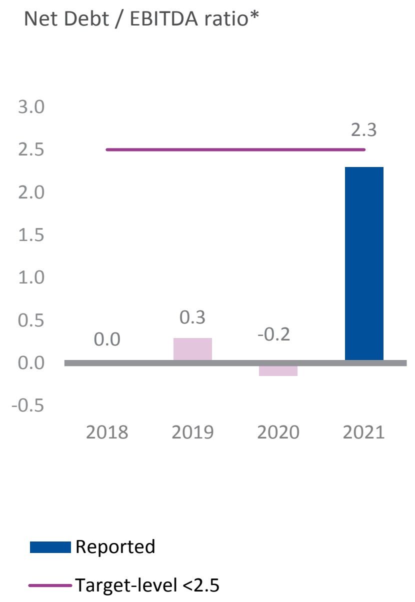
Customer activity in new recruitment and replacement recruitment increased substantially compared to the previous year. The gradual recovery seen in the first half of the year eventually turned to substantial growth, and the COVID-19 pandemic had a lessened impact on the operations of Alma Career's client companies in the second half of the year in spite of shutdowns imposed by the authorities. The delay between invoicing and the recognition of revenue had a negative effect on the revenue performance of the recruitment business in the first quarter of 2021, but the growth of demand in the recruitment business was reflected in strong growth in customer invoicing in the latter part of the year.

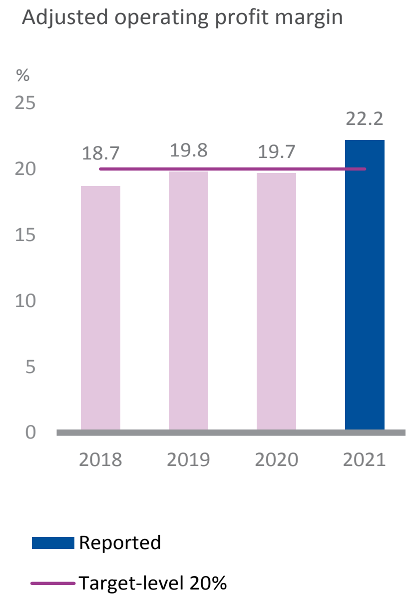
Advertising revenue increased in spite of uncertainty, especially in housing and mobility. The information needs related to the COVID-19 pandemic kept up the demand for up-to-date and reliable information, and Alma Talent's digital content sales remained strong.

The event business was contracted due to COVID-19 restrictions and training activities were moved to digital channels. The COVID-19 pandemic has boosted remote learning and led to increased demand in the online training business.

Key figures







Revenue	Adjusted operating profit	Earnings per share	Number of employees 31 December 2021
275 MEUR	**61** MEUR	**0.53** EUR	**1,550** excluding telemarketers

Share of digital business of revenue	Adjusted operating profit %	Equity ratio	Scope 1 and Scope 2 emissions
77%	**22%**	**35%**	**542** tCO2e

* Return on investment for 2020 includes the gain recognised on the sale of the regional media business.

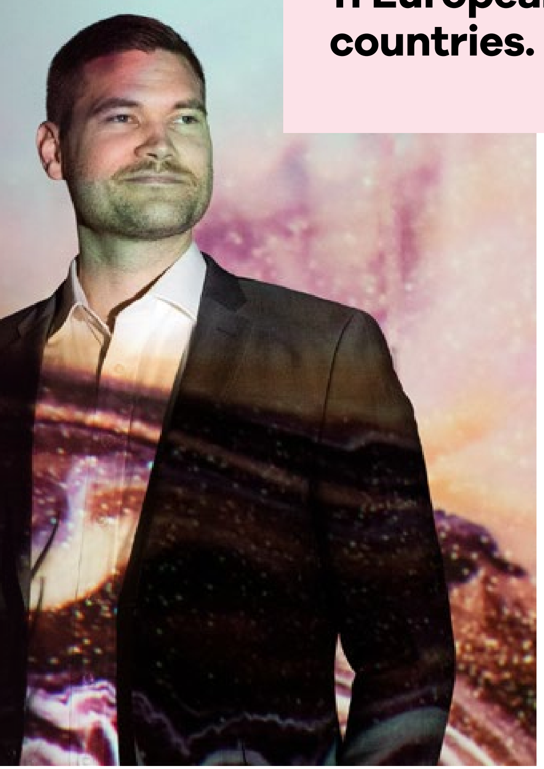
Alma Media in brief

Alma Media is a highly innovative media company focusing on digital services and journalistic content. The company builds sustainable growth from media to services, providing content and services that benefit users in their everyday lives, work and leisure time. Our products are leading media and service brands in their respective fields. Our best-known brands include Kauppalehti, Talouselämä, Iltalehti, Nettiauto, Etuovi.com and Monster.

Alma Media has employees in 11 European countries. In Finland, our business operations include financial and professional media, national consumer media, digital consumer and business services, training and the publishing of professional literature. Alma Media's international business in Eastern Central Europe, Sweden and the Baltic countries consists of recruitment services, an online marketplace for commercial properties and direct marketing services.

Sustainability is part of day-to-day work at Alma Media. The most significant sustainability impacts of Alma Media's business are related to the media content published by the company and digital services as enablers of responsible choices by consumers and professionals. A high standard of data security and data privacy and the responsible processing of data are important cornerstones of our business. The themes of our sustainability efforts include creating a better future for young people, good working life and climate change mitigation.

Alma Media's share is listed on Nasdaq Helsinki.



Alma Media operates in 11 European countries.

Why invest in Alma Media?

Juha Nuutinen, Chief Financial Officer, Alma Media

1.

Successful digital transformation

Our strategic focus has been on creating profitable digital growth and we have a strong track record of creating profitable growth. We have made excellent progress in our transformation from a printed newspaper publishing business to a digital media, marketplaces and service company. Digital business now accounts for nearly 80% of our revenue. Our digital business models are cost-efficient and scalable and they have enabled expansion into additional services in various verticals, such as recruitment services, housing and the automotive segment. The use of digital business models and data has enabled us to strengthen synergies between media, the marketplaces business and digital services.

2.

Leading market position and brands

Our products are the leading media and service brands in their respective target groups and they have a strong market position. In the recruitment business, we are the market leader in several countries in Eastern Central Europe. In Finland, our financial media, such as Kauppalehti and Talouselämä, and our national news media brand Iltalehti, have a combined reach of approximately 80% of all Finns. Our services include the leading housing and automotive marketplaces Etuovi.com, Nettiauto and Autotalli.com. In addition, we offer professionals and businesses a comprehensive range of content related to company information, real estate information, law, financial management, competence, leadership and marketing. For advertisers, we offer Finland's largest digital advertising network.

3.

Solid financial position

Our cost-efficient business model does not tie up a lot of capital. Our agile business model and profitable growth provides us with a strong financial position in spite of an increase in debt due to acquisitions. Our return on equity was 24% in 2021 and our liquidity is good. Alma Media's good dividend payout capacity is based on the Group's ability to generate strong and stable cash flow. Our goal, on average, is to distribute more than half of our profit for each financial year as dividends.

Share price development

ALMA MEDIA AS AN INVESTMENT

Information for shareholders

Annual General Meeting

Alma Media's Annual General Meeting will be held on 29 March 2022 at 12:00 noon.

Attendance

Due to the COVID-19 pandemic, it is not possible to attend the meeting on site. The company's shareholders and their representatives may attend the meeting and exercise their shareholder rights only by voting in advance and by submitting counter-proposals and questions in advance.

It is possible for shareholders and their representatives to follow the Annual General Meeting on the company website at www.almamedia.fi/en/investors/governance/general-meeting/2022. Those who follow the Annual General Meeting in this manner will not be considered to be in attendance at the AGM, and they will therefore not have the opportunity to ask questions or vote during the AGM.

The Board of Directors' dividend proposal

Alma Media's Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.35 per share be paid for the financial year 2021. The dividend will be paid to shareholders who are registered in Alma Media Corporation's shareholder register maintained by Euroclear Finland Ltd on the record date, 31 March 2022.

Important dates related to the Annual General Meeting and dividend payment in 2022

17 Mar	Record date for the Annual General Meeting
29 Mar	Annual General Meeting
30 Mar	Proposed ex-dividend date
31 Mar	Proposed record date of dividend payment
7 Apr	Proposed dividend payment date

Financial reporting calendar in 2022

16 Feb	Financial Statements Bulletin 2021
22 Apr	Interim Report January–March 2022
20 Jul	Half-Year Report January–June 2022
20 Oct	Interim Report January–September 2022

Alma Media applies a 30-day silent period before the publication of the financial statements bulletin, half-year reports and interim reports.

Up-to-date information on Alma Media and the financial calendar is available online at www.almamedia.fi/en/investors.

KEY INFORMATION ABOUT ALMA MEDIA'S SHARE

MARKET	Nasdaq Helsinki Ltd
SECTOR	Media
TRADING CODE:	ALMA
ISIN CODE:	FI0009013114

2021	
MARKET CAPITALISATION	**MEUR 891.4**
HIGH:	**EUR 12.70**
LOW:	**EUR 8.42**
CLOSING:	**EUR 10.82**

Report by the Board of Directors

Drivers of change in the operating environment

SOCIETY AND THE ECONOMY

- The broad-based economic recovery in our operating countries influences advertising spending, employment and the demand for recruitment services
- Higher inflation increases cost pressures
- Consumers expect higher standards of sustainability from companies
- The green transition accelerates the pricing of climate risks
- In Finland, structural challenges in the economy dampen the long-term economic growth prospects

MARKETING AND ADVERTISING

- The automation of advertising and marketing takes over the industry
- The significance of new forms of digital advertising, such as content marketing, increases
- The role of commerce platforms grows, which influences sales and marketing ecosystems in various verticals
- The significance of cookie-based marketing decreases and the role of contextual targeting grows

TECHNOLOGY AND DATA

- The significance of technology and automation increases across all businesses and processes
- Data ownership and data-driven development are key drivers of business success
- The ownership of first-party data becomes increasingly important

REGULATION

- The regulatory environment becomes stricter and more complex, particularly with regard to data privacy, the processing of personal data and ePrivacy
- Consumer protection improves, which also leads to increased transparency obligations for companies
- The development of regulations at the EU level requires continuous monitoring, reporting and actions from companies

RECRUITMENT

- The competition for professionals accelerates and becomes more global – there is a worldwide shortage of technology specialists
- Remote work, freelancing and temporary work increase
- There is a shift from an employer-driven market to an jobseeker-driven market
- Labour mobility grows in the EU
- Digitalisation accelerates retraining and competence development

HOUSING

- Rental housing becomes increasingly common
- The housing ecosystem becomes digital and the use of electronic transactions increases quickly
- In construction and housing, reducing the carbon footprint and sustainable development continues to increase in significance

CARS AND MOBILITY

- Digitalisation changes mobility and the automotive trade
- Alternative fuel vehicles grow in significance in the automotive trade
- The sharing economy grows in this area

MEDIA

- Paid content grows in popularity
- There is a growing need for reliable, fact-based information
- Competition in the advertising market intensifies
- News media production becomes more data-driven and automation-driven

Description of the operating environment

Market situation in the main markets

According to Kantar TNS, the total advertising volume in Finland increased by 13% in 2021 (-16.6%) and amounted to MEUR 1,276. The total volume exceeded the level of 2019.

Online media advertising, excluding search engines, increased by 21% (4.2%) to MEUR 189.3. Advertising in print newspapers increased by three per cent in Finland (-26.3%). Advertising in print magazines decreased by exactly three per cent (-18.7%) in January–December 2021. In terms of volume, the market for afternoon papers in Finland declined by 9.5% (-17.1%) in 2021.

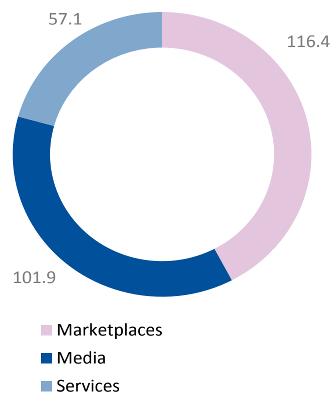
In addition to Finland, Alma Media's main markets are the Czech Republic and Slovakia in Eastern Central Europe. The European Commission published its latest GDP forecasts in November 2021. According to the forecast, Finnish GDP growth (3.4% in 2021) will slow down to 2.8% in 2022. In December, the Ministry of Finance estimated that the unemployment rate in Finland in 2021 was 7.6%, but predicted that this figure will fall to 6.7% in 2022. The number of vacancies is higher than ever in Finland but, at the same time, long-term unemployment remains high.

The European Commission estimates that the Czech GDP grew by 3.0% in 2021 and predicted growth of 4.4% in 2022. The Czech National Bank estimates that the unemployment rate (ILO) was 3.1% in 2021, with a decrease to 2.9% predicted for 2022. The European Commission estimates that Slovakia's GDP grew by 3.8% in 2021 and will grow by 5.3% in 2022. The National Bank of Slovakia estimates that the unemployment rate was 6.8% in 2021, with a decrease to 6.6% predicted for 2022.

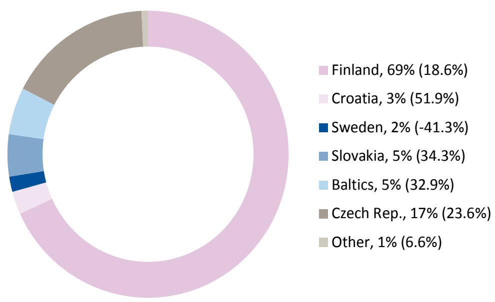
According to forecasts, the period of rapid growth will level off in 2022, but the overall economic picture in our operating countries appears fairly stable in spite of the increased uncertainty caused by increasing labour shortages, inflation and production costs, the gradual normalisation of stimulating monetary policy on the part of central banks, geopolitical tensions, the COVID-19 pandemic and new variants of the virus.

REVENUE MEUR	2021 Q1–Q4	2020 Q1–Q4	Change %
Alma Career	82.2	62.7	31.0
Alma Talent	99.7	95.1	4.8
Alma Consumer	94.5	69.9	35.2
Segments total	276.4	227.7	21.4
Non-allocated operations	-0.9	2.5	-137.6
Total	275.4	230.2	19.6

Revenue split 2021
MEUR



Revenue split geographically 2021



ADJUSTED OPERATING PROFIT/LOSS MEUR	**2021 Q1–Q4**	**2020 Q1–Q4**	**Change %**
Alma Career	30.0	20.6	45.9
Alma Talent	20.6	16.2	26.5
Alma Consumer	23.9	15.0	59.4
Segments total	74.5	51.9	43.7
Non-allocated operations	-13.4	-6.5	107.1
Total	61.1	45.4	34.7

ADJUSTED ITEMS MEUR	**2021**	**2020**
Alma Career		
Restructuring		-0.1
Gains (losses) on the sale of assets		0.9
Alma Talent		
Impairment losses		-0.3
Restructuring		-0.7
Gains (losses) on the sale of assets	0.0	-2.2
Alma Consumer		
Items recognised through profit or loss		
arising from business acquisitions	-0.4	0.1
Non-allocated		
Transaction costs of divested and		
acquired businesses	-4.1	
Gains (losses) on the sale of assets	0.2	
Adjusted items in operating profit	-4.3	-2.3
Adjusted items in profit before tax	-4.3	-2.3

Group revenue and result in 2021

Revenue grew by 19.6% to MEUR 275.4 (230.2). Acquired and divested businesses had an effect of MEUR 16.7 on revenue. Organic growth, excluding acquisitions and divestments, was 12.6%.

The growth of revenue from the marketplaces business was attributable to the strong recovery of recruitment demand, the growth of the housing market and the Nettix acquisition. Media revenue was increased by the continued favourable development of digital content revenue as well as the strong recovery of advertising. The growth of service revenue was supported by acquired businesses and the positive development of digital services during the review period.

Adjusted operating profit was MEUR 61.1 (45.4), or 22.2% (19.7%) of revenue. Operating profit was MEUR 56.8 (43.1), or 20.6% (18.7%) of revenue. The operating profit includes net adjusted items in the amount of MEUR -4.3, consisting of gains and losses on the sale of assets, as well as transaction costs related to acquisitions. The adjusted items in the comparison period were related to the loss recognised on the sale of Alma Talent's Swedish media business, impairment losses, restructuring costs and items recognised through profit or loss arising from acquisitions achieved in stages.

Revenue increased by

19.6%

Total expenses increased by MEUR 29.6 due to acquisitions and investments in human resources and marketing. Depreciation and impairment included in the total expenses for the year amounted to MEUR 16.7 (15.8). Profit came to MEUR 44.3 (33.3).

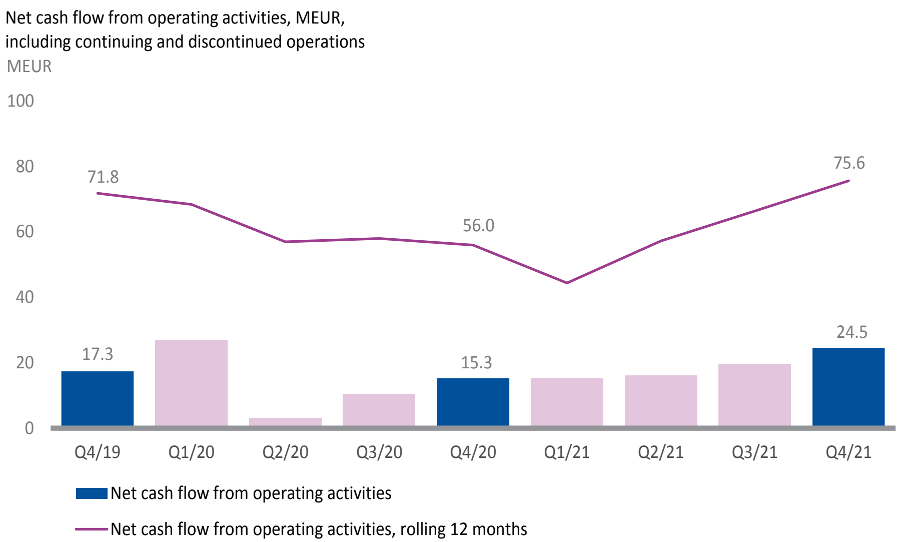
Balance sheet and financial position

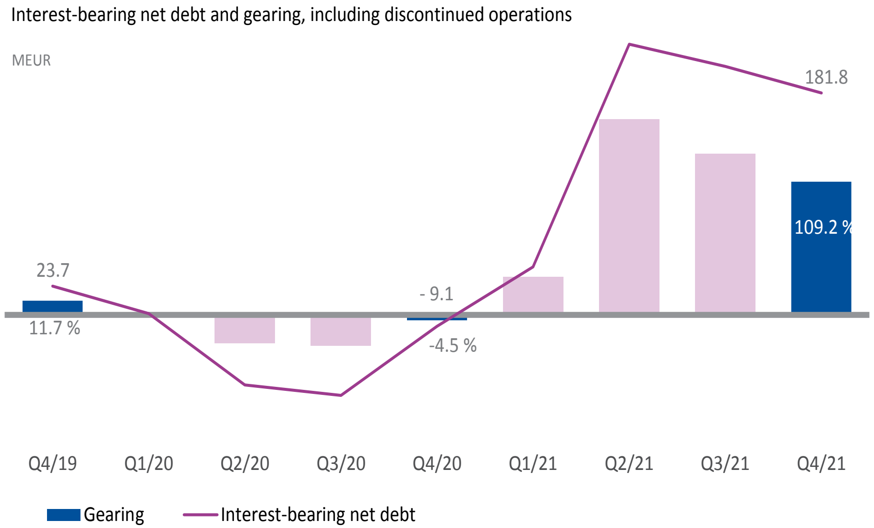
At the end of December 2021, the consolidated balance sheet stood at MEUR 518.4 (333.9). The Group's equity ratio at the end of December was 34.7% (63.1%), and equity per share was EUR 1.99 (2.23). Cash flow from operating activities amounted to MEUR 75.6 (56.0) in 2021. Cash flow from operating activities improved year-on-year thanks to the improved operating profit and lower working capital. The most significant investments in 2021 were the redemption of the minority interests in Alma Career Oy and Etua Oy, as well as the acquisition of shares in Nettix Oy, Netello Systems Oy and Quantiq s.r.o. Cash flow before financing was MEUR -162.3 (27.6) in 2021.

In December 2021, Alma Media concluded an interest rate hedging agreement with a nominal value of MEUR 50. The interest rate hedging agreement is a four-year fixed interest rate swap that will commence in two years' time.

At the end of December 2021, the Group's interest-bearing debt amounted to MEUR 233.7 (38.9), consisting of a long-term loan and lease liabilities. Interest-bearing net debt totalled MEUR 181.8 (-9.1).

In December 2021, Alma Media signed a new MEUR 200 Term Loan financing facility. This replaced the temporary Bridge Facility agreement that was in place for financing acquisitions. The new agreement has a maturity of 36 months. The new financing arrangement also includes a MEUR 30 revolving credit facility (RCF). The facility can be used for the Group's general financing purposes. The revolving credit facility has a maturity of four years. The financing arrangement includes the usual covenants concerning the equity ratio and the ratio of net debt to EBITDA. The Group met the covenants on 31 December 2021.





Alma Media has a commercial paper programme of MEUR 100 in Finland. The commercial paper programme was unused on 31 December 2021.Alma Media had MEUR 0.2 in financial assets created in conjunction with business combinations measured at fair value and recognised through profit or loss, and MEUR 16.8 in financial liabilities measured at fair value and recognised through profit or loss.

Capital expenditure

Alma Media Group's capital expenditure in 2021 totalled MEUR 247.1 (91.4). The capital expenditure consisted of the acquisitions of Nettix Oy and Netello Systems Oy as well as normal operating and maintenance investments.

Research and development costs

The Group's research and development costs in 2021 totalled MEUR 4.6 (MEUR 4.6). MEUR 3.6 (MEUR 3.2) was recognised in the income statement, and development costs of MEUR 1.0 (MEUR 1.4) were capitalised on the balance sheet in 2021. There were capitalised research and development costs totalling MEUR 2.2 (MEUR 2.0) on the balance sheet on 31 December 2021.

Business segments in 2021

Alma Media's new segment structure entered into effect on 1 March 2021. Alma Media also changed its revenue reporting by distributing revenue between marketplaces, media and service revenue. As part of the transition to a new segment structure, the Alma Mediapartners services that were previously reported as part of the Alma Markets business segment are now reported under the Alma Consumer business segment. In connection with the change, the name Alma Markets was changed to Alma Career.

Alma Media's reportable segments consist of Alma Career, which focuses on the recruitment business and recruitment-related services in Eastern Central Europe and Finland; Alma Talent, which provides financial media and services aimed at professionals and businesses; and Alma Consumer, which focuses on the consumer media and marketplaces business. Centralised services produced by the Group's parent company, as well as centralised support services for advertising and digital sales for the entire Group, are reported outside segment reporting. The Group's reportable segments correspond to the Group's operating segments.

Alma Career

The Alma Career segment's revenue increased by 31.0% to MEUR 82.2 (62.7) in 2021. Acquired businesses had an effect of MEUR 0.2 on revenue. Revenue and operating profit declined in the first quarter, but a turnaround seen in the second quarter was followed by strong growth for the remainder of the year as the demand for recruitment services improved.

In 2021, total expenses increased by 22.7% to MEUR 52.4 due to higher employee and marketing expenses.

The adjusted operating profit was MEUR 30.0 (20.6). The adjusted operating profit was 36.6% (32.8%) of revenue. The segment's operating profit was MEUR 30.0 (21.4). No adjusted items were reported in 2021. The adjusted items in the comparison period were related to the restructuring of operations, a gain on the sale of an associated company, and an item recognised in profit or loss arising from an acquisition achieved in stages.

Alma Talent

The Alma Talent segment's revenue increased by 4.8% to MEUR 99.7 (95.1) in 2021. Digital business accounted for 55.4% (46.9%) of the segment's revenue. The rate of organic digital growth was 18.0%.

Talent Media's content revenue grew by 2.9%, which was attributable to a 24.8% increase in digital content revenue that exceeded the 10.8% decline in print media revenue. Advertising revenue grew by 8.5% particularly due to the strong 26.0% growth of digital advertising. The share of digital business in media exceeded 50%, while the operating profit margin exceeded 20%.

The recruitment business and advertising performed particularly well

The revenue of Talent Services increased by 18.9% and its adjusted operating profit improved by 20.9%. The factors underpinning the good performance included acquisitions and organic growth in all businesses except book sales. Digital business represented 83.2% (77.1%) of Alma Talent's services. Revenue from continuous invoicing increased by 29.1% and organic revenue growth was 9.0%. Continuous invoicing represented 70.6% of revenue.

Revenue from direct marketing grew by 2.8% year-on-year, and profit performance was good.

The segment's adjusted total expenses amounted to MEUR 79.6 (78.9). The Alma Talent segment's adjusted operating profit was MEUR 20.6 (16.2), and operating profit was MEUR 20.5 (13.1). The adjusted item in 2021 was related to a loss on the sale of an asset. The adjusted items in the comparison period were related to operational restructuring, impairment, losses on the sale of assets, and an item recognised in profit or loss arising from an acquisition achieved in stages.

Alma Consumer

The Alma Consumer segment's revenue grew by 35.2% to MEUR 94.5 (69.9). Acquired businesses contributed MEUR 17.8 to the increase in revenue. Digital business accounted for 81.0% (75.3%) of the segment's revenue.

Organic revenue growth in the housing business area was 14.4%. Growth was achieved in all business areas, with classified advertising, advertising on Etuovi.com and Vuokraovi.com and housing systems performing particularly well.

The growth in revenue from the automotive, mobility and comparison service business areas was mainly attributable to the acquisition of Nettix Oy.

Revenue from the media business increased by 17.1%. Digital advertising saw particularly strong growth of 25.7% and totalled MEUR 29.5. The retail and automotive sectors boosted the growth of advertising.

Iltalehti became Finland's largest news media in the autumn. It has a larger readership than any other newspaper in Finland: its online and print versions had a total of 2,880,000 weekly readers according to the Finnish National Readership Survey (NRS). The Iltalehti Plus service was launched in the summer. In the paid pilot, readers gain access to all of Iltalehti's content. The subscriber base of the service increased rapidly in the latter part of the year.

The segment's total expenses increased by 29.3% to MEUR 71.0 (54.9). The segment's adjusted operating profit was MEUR 23.9 (15.0), or 25.3% (21.5%) of revenue. The segment's operating profit was MEUR 23.5 (15.1). The adjusted items in 2021 were related to losses on the sale of a business. The adjusted items in the comparison period were related to items recognised through profit or loss arising from acquisitions achieved in stages and a loss recognised on the sale of a business.

Alma Media's strategy

The foundation of Alma Media's strategy is built on the following choices: 1) the digital transformation of the core business, 2) growth through digital business, and 3) internationalisation.

Alma Media creates sustainable growth by taking advantage of the opportunities presented by the digital transformation. The objective is to increase shareholder value through revenue growth and improved profitability. Alma Media is developing and expanding its current business operations and seeking growth opportunities in new businesses and markets. The company will remain on the path of internationalisation. In addition to organic growth, the improvement of profitability will be accelerated by acquisitions.

Alma Media's strategy during the year under review included responding to the changes in media consumption and the growing demand for digital service by providing content and services that are of value to users in their daily life, work and free time. The strategic priorities included growing the marketplaces business in Finland and internationally, expanding the Group's professional media and services aimed at professionals as well as developing national multi-channel consumer media and services.

Alma Media's strategy implementation during the review period

The Group continued the internationalisation of the recruitment business, focusing on Eastern Europe and the Balkans. The COVID-19 pandemic has accelerated the ongoing digitalisation process and increased the demand for related services and solutions. The change presents new digital business opportunities in areas such as the subscription business, housing and property transactions, online professional training and online buying.

77%

of Alma Media's revenue is derived from digital business

One key element of the Group's strategy is the continued expansion from content generation and advertising in media and marketplaces towards new digital products and services that address customer needs and cover the entire value chain, ranging from sales systems to transactions. At the same time, the company will establish partnerships to participate in broad and seamless digital service ecosystems in the recruitment, housing and automotive verticals, for example.

One example of a new kind of partnership is the expanding cooperation launched during the period under review between the equity analysis provider Inderes and Alma, which covers the provision of Inderes' analyses to Kauppalehti's digital subscribers, the distribution of investor event webcasts and investor events. The aim is to satisfy equity investors' growing demand for information and improve awareness of Finnish listed companies. In the third quarter, Alma and Inderes organised Equity Investor Week, a series of virtual events focused on equity investing that garnered over 35,000 views during the week-long event. The new digital concept provided the audience with a comprehensive overview of 39 listed companies as investments, presented by key individuals from the companies in question.

As a media company, Alma Media plays a central role in building an increasingly sustainable society. The Group's media and services play important roles in mitigating climate change and changing the way society operates with regard to supporting diversity and social engagement in working life, for example. The Group's digital services enable consumers to make lower-emission and more energy-efficient choices when buying a home or a car, for instance. Alma Media aims to combine sustainability, strategic competitive advantage and creating new business based on corporate responsibility.

Alma Media has undergone a significant transformation over the course of a few years as the Group has divested its regional media and printing business and invested in the digital marketplaces business. For this reason, Alma Media's Board of Directors decided during the review period to set new long-term financial targets for the Group concerning business growth, profitability and financial solidity. The targets are based on our view of changes in the operating environment, the competitive landscape and the progress of the transformation strategy.

New long-term financial targets were adopted in the third quarter. They are as follows:

- Growth: annual revenue growth of more than 5%
- Profitability: adjusted operating profit margin of more than 20%
- Financial solidity: net debt/EBITDA less than 2.5

TRANSFORMATION OF THE CORE BUSINESS	• Further expansion of operations from media to marketplaces and digital services • Accelerating the digital transformation of print media • Strengthening cooperation and synergies within the Group and the business segments • Divestment or discontinuation of unprofitable businesses
DIGITAL GROWTH	• Developing marketplaces towards digital commerce platforms • Expanding in the value chain to new business areas that complement the existing businesses • Increasing the share of revenue represented by continuous invoicing and expanding to transaction-based revenue. • Developing world-class digital capabilities
INTERNATIONALISATION	• Expanding to new geographical regions to accelerate growth and reduce dependence on Finland's economic development. • Expanding business operations in the current geographical regions

The competitive situation in Alma Media's operating environment is expected to intensify further during the strategy period 2021–2023. The international platform giants have strengthened their position in several sectors, such as advertising and the marketplaces business. Local competition is also expected to increase in Alma Media's operating countries. The impact of smaller niche operators that focus on narrow fields and disrupt existing business models is already apparent in several markets.

Alma Media has identified four strategic focus areas with respect to the development of its existing businesses: 1) audience acquisition, engagement and monetisation, 2) the development of marketing solutions, 3) cooperation to achieve economies of scale, and 4) the commercialisation of data.

In addition to organic growth, Alma Media actively seeks new business opportunities through acquisitions. The Group is growing and diversifying its product portfolio by expanding from media to marketplaces business and digital services.

The demand for digital media and digital services is expected to continue to grow. The digitalisation of services and the ecosystems they create is expected to accelerate, and sales and purchases will continue to move to digital marketplaces. Electronic commerce is also expected to accelerate in the automotive and housing segments. Data, analytics, machine learning and automation will become increasingly important, which calls for increasing investments in technology.

As regards the economy and society, we are already looking forward to the post-pandemic period. We expect labour markets to perform well during the strategy period and we also expect intensifying competition for labour – and accelerating wage inflation – in at least some of our operating countries.

The acquisition of Nettix Oy and other acquisitions and divestments by the Group

In March 2021, Alma Media signed an agreement to acquire Nettix Oy's entire share capital from Otava Group. The enterprise value of the acquired business was MEUR 170. Nettix Oy's business consists of Finland's leading motor vehicle marketplaces, such as Nettiauto, Nettikone and Nettimoto. In addition, Nettix consists of Konepörssi, the leading professional media for the machine and transport business, and the news service Ampparit. The acquisition of Nettix is a continuation of Alma Media's strategy that concentrates on digital media and services. Nettix complements Alma Media's marketplaces business in Finland, especially in automotive and mobility-related services, presenting opportunities for cross-selling and additional sales and the sharing of best practices between the services. It also opens up new business opportunities in rental and leasing activities, for example. A total of 39 Nettix Oy employees (converted to full-time employees) were transferred to Alma Media effective from 1 April 2021. Alma Consumer's product portfolio consists of digital comparison services aimed at consumers that have synergies with media and other services.

In April 2021, Alma Media acquired the remaining share capital to become the full owner of Etua Oy, a company offering competitive tendering services for loans and insurance. Alma Media Corporation previously held a 60% stake in Etua Oy. Established in 2008, Etua.fi is the longest-operating loan comparison service in Finland. The company is a housing loan agent registered by the Financial Supervisory Authority. The Etua.fi service allows users to compare consumer credits and housing loans. The company works in co-operation with over 25 financial sector companies and forwards the loan applications submitted through the online service to its partners. To date, Etua.fi has served hundreds of thousands of Finns in their daily financial affairs.

To strengthen Alma Media's centralised advertising sales capabilities in Alma Media Solutions' SME digital advertising market, Alma Media acquired 60 per cent of the share capital of Netello Systems Oy during the review period. Established in 1999, Netello Systems Oy provides SMEs with highly effective search engine optimisation (SEO) and solutions and related services, such as conversion rate optimisation (CRO), search engine marketing (SEM) and web design.

In October, Alma Media Corporation sold its shareholding in KPK Yhtiöt Oyj (formerly Keski-Pohjanmaan Kirjapaino Oyj) to Ilkka-Yhtymä. The transaction concerned the 24,379 series A shares held by Alma Media Corporation, corresponding to 5.6 per cent of KPK Yhtiöt Oyj's share capital and 0.5 per cent of votes.

Alma Media's business segment strategies and their implementation during the year

Alma Career

- Leading recruitment services in Eastern Central Europe, for example Jobs.cz, Prace.cz, Profesia.sk, MojPosao.net and MojPosao.ba and, in Finland, Monster.fi.
- The Seduo online training service and the mobile service Prace za rohem.
- Operates in Finland and nine other European countries.

The recruitment-related services Jobs.cz, Prace.cz, CVonline.ee, CVonline.lv, CVonline.lt, Profesia.sk, MojPosao.net, MojPosao.ba and Monster.fi are reported under the Alma Career segment. In addition to enhancing job advertising, the segment's objective is to expand the business into new services to support the needs of job-seekers and employers, such as job advertising-related technology, digital staffing services and training.

Alma Career's strategy in the recruitment business includes expanding the customer base and business from traditional recruitment advertising to new complementary services in response to the recruitment needs of customers.

In businesses related to job advertising, the focus is on making the services more attractive and enhancing their competitiveness by sharing know-how, technology and best practices between the Alma Career countries. Potential areas of growth in the recruitment business include: 1) disruptive technologies and services related to recruitment advertising, 2) digital HR services and 3) professional training.

Alma Career Oy was transferred entirely to Alma Media's ownership during the review period. Alma Media acquired Monster Worldwide Scandinavia AB's 16.66 per cent minority shareholding in Alma Career. The purchase price for the shares was MEUR 58.5, which was based on the debt-free enterprise value of the entire share capital of the Alma Career Group. Simplifying the ownership structure clarifies and supports the development of Alma Career's recruitment business in accordance with Alma Media's strategy. Alma Career Oy has operated as the parent company of the Alma Career Group, which includes recruitment companies in ten European countries.

Alma Career Oy's subsidiary LMC s.r.o acquired the Czech start-up Quantiq s.r.o in January 2021. The company's SaaS-based recruitment service Techloop.io is targeted at IT professionals and businesses. The algorithm-based recruitment service Techloop analyses job applications, quickly and efficiently coordinating the most viable applicants registered in the service with known IT vacancies. Established in 2016, Quantiq's revenue in 2020 was approximately MEUR 0.3.

Alma Media's digital recruitment service Monster.fi was redesigned during the review period. The new service is the first in Finland to offer a next-generation service platform that takes into account the applicant's abilities comprehensively; not only education, skills and experience, but also the applicant's individual characteristics and social strengths, such as people skills. The service platform's algorithm-driven classification enhances and accelerates recruitment processes by providing increasingly targeted search results.

Alma Talent

- Subscription-based digital content media. In addition to the leading financial media brand Kauppalehti, Alma Talent's financial and professional media include Talouselämä, Tekniikka & Talous, Tivi, Mediuutiset and Arvopaperi.
- Digital data, content and marketplace services. Alma Talent Services offers professionals and businesses a comprehensive range of information and data related to company information, real estate information, law, financial management, competence development and leadership. The services also include business premises marketplaces in Finland and Sweden as well as Digitaalinen Asuntokauppa DIAS Oy, which is a platform for digital housing transactions.
- Suoramarkkinointi Mega provides telemarketing services to customers in various industries.
- Operates in Finland, Sweden and the Baltics

Alma Talent's business is divided into two areas: financial and professional media in Finland and various services for companies and professionals. The aim is to build an even stronger and more integrated service offering to complement the profitable media business. The segment seeks new growth opportunities in scalable and subscription-based digital services targeted at professionals and companies.

Examples of Alma Talent's existing scalable services include:
• Analyser, which provides official company information, verified information on companies' decision-makers, adjusted financial statements information and long time series, Alma Talent's news content and signal data.
• The law-related services Suomen Laki.com and Online Bookshelf, which include current and continuously updated legislation complete with interpretations and comments.
• The digital housing transaction platform DIAS, which connects buyers, sellers, real estate agents and banks in a single system. The platform is already used by over 3,000 real estate agents and nearly the entire Finnish mortgage market. Alma Talent owns 80.5% of Digitaalinen asuntokauppa DIAS Oy.

During the period under review, Alma Media acquired a 25% stake in Suomen Tunnistetieto Oy, a company established in 2014. Its DOKS service helps companies save costs and increase the efficiency of routine activities related to establishing a customer relationship. DOKS provides an efficient and secure digital tool for identifying customers, carrying out KYC procedures and fulfilling obligations related to the prevention of money laundering. The service promotes the implementation of good corporate governance practices, the management of governance risks and adherence to ethical business principles.

As a media company, Alma Media plays a central role in building an increasingly sustainable society, and Alma Media aims to combine sustainability, strategic competitive advantage and the creation of new business based on corporate responsibility.

As one example of the new additions to the product offering related to sustainability, Kauppalehti became the first Finnish financial media channel to provide its subscribers with Sustainalytics' service for rating the sustainability risks of listed companies during the review period. Part of the investment research and investment management service provider Morningstar, Sustainalytics is a global analysis company that specialises in ESG research, ratings and data. Kauppalehti's service covers ESG risk assessments for the 25 largest companies listed on the Helsinki Stock Exchange in terms of trading volume. ESG risk ratings help investors assess the potential impact of financially material ESG (Environmental, Social and Governance) risks on a company's value and the risk/return profile of an investment.

Alma Consumer

- Iltalehti, a large Finnish national multichannel news media and diverse lifestyle media that reaches approximately 3 million Finns each week nationally.
- Several digital consumer services, such as Etua.fi, Telkku.com, Kotikokki.net and Rantapallo.fi.
- Several mobility-related marketplaces for consumers, such as Nettiauto, Nettimoto, Nettikone and Autotalli.com.
- Profitably growing competitive tender services: Urakkamaailma.fi., Muuttomaailma.fi, Autojerry.fi and Katsastushinnat.fi.
- Operates in Finland

The business of the Alma Consumer segment includes the multi-channel news and lifestyle media Iltalehti, Finland's leading housing marketplace Etuovi and housing rental marketplace Vuokraovi, the automotive marketplace Nettiauto as well as the housing and car trade systems that serve companies representing these fields. The segment also includes competitive tender and comparison services, such as Autojerry, Muuttomaailma, Urakkamaailma and Etua.

The segment's competitiveness is based on the comprehensive reach of media and services as a digital network, the user data pool, and the developing industry verticals in the areas of media, housing, cars and comparison services. The focus of the strategy is on a strong high-reach digital news media with a growing and committed audience and in whose readership the proportion of registered users is growing.

Alma Consumer's goals also include strengthening digital services that involve media synergies and make the daily life or free time of consumers easier. This will be achieved both organically and through acquisitions. The business segment's strategy also includes promoting the signed-on use of services on a quick schedule and increasing paid editorial content. Data collected with the consent of registered users also provides versatile targeting solutions for advertising.

In line with its strategy, Alma Consumer continues to focus on digital media, digital advertising and digital services. New growth areas in digital advertising include developing the offering and content marketing solutions.

As Alma Consumer focuses on housing and automotive digital services, comparison services and media, Alma Media's subsidiary Alma Mediapartners Oy and Lemonsoft Oy agreed during the review period on a business transaction in which the construction and housing ERP system Talosofta was transferred to Lemonsoft Oy on 1 July 2021. Talosofta is a web-based ERP system for small and medium-sized operators in the construction, renovation and technical building service industries.

Alma Media Solutions

The Alma Media Solutions unit serves advertisers in the development, marketing and sales of media sales products at the Alma Media level. Its task is to apply itself to customers' marketing communications challenges and also offer comprehensive solutions outside the boundaries of traditional media advertising. The unit's focus areas include content marketing and data-driven solutions.

The strategic choices of Alma Media Solutions include strengthening its position in the SME advertising market, diversifying service production in advertising and improving the customer experience.

Alma's media currently reach millions of Finns every week. Online users constitute a network that advertisers can use to target their messaging at the relevant target groups. For example, the use of data and marketing automation makes it possible to recommend relevant and interesting content and subscription products to subscribers and steer users from one Alma network service to another on a personalised basis. The strategic initiatives are also aimed at improving the customer experience and strengthening user commitment to the Group's media.

Success in the digital transformation of media requires user identification and the diverse use of user data. As the use of data improves the personalisation of content, user registration is advantageous for both consumers and the business. Alma Media complies fully with data privacy legislation with regard to signing on. Alma ID, a common sign-on system for the readers of Alma Media's digital content and the users of services, enables smooth and secure switching from one service to another in Alma's digital network under the single sign-on principle. The single sign-on solution will be expanded to cover all of Alma Media's services in Finland. The solution allows consumers to manage the collection and use of data related to the use of services.

Statement of non-financial information

This section describes Alma Media's sustainability-related activities in accordance with Chapter 3a of the Finnish Accounting Act (non-financial information). The Group's reporting of non-financial information includes not only environmental, social and ethical perspectives but also the themes of sustainable media, responsible journalism and responsible marketing as well as data security and data privacy, which are important aspects of Alma Media's digital business.

The reporting of non-financial information complies, where applicable, with the supplement concerning the reporting of climate-related information. In sustainability reporting, Alma Media observes the principle of materiality. The Group updated its materiality analysis in autumn 2021 based on an extensive stakeholder survey, individual interviews, industry analyses and expert workshops. More information on the development of sustainability is provided in Alma Media's Sustainability Report 2021, which is drawn up in accordance with the Global Reporting Initiative (GRI) guidelines and adheres to the Sustainable Accounting Standards Board (SASB) reporting guidelines where applicable.

Description of the business model

The company supports the development of democratic society by producing pluralistic, objective and high-quality content as well as by providing useful, secure and reliable digital services for consumers and businesses. Alma Media's business operations consist of digital marketplaces, media and services. The Group's reporting segments are Alma Career, Alma Consumer and Alma Talent.

Alma Media Group also uses shared functions to pursue synergies between businesses to increase the creation of customer value.

Digital marketplaces and services constitute a key area of Alma Media's business. They include services related to recruitment, housing, cars and mobility, for example. The customers of Alma Media's digital services include both companies and consumers. The digital services business model is based on customer fees charged for classified advertising, fees for increased visibility in classified advertising, targeted media advertising, service sales and subscription fees and licence fees for the use of information systems. The digital housing transaction platform DIAS serves buyers and sellers in the housing market and it was developed in collaboration with banks and real estate agents. The Group's other services include information services, training services, event services, digital marketing services and the direct marketing business.

The media business includes, for example, the professional and financial media and books published by Alma Talent as well as the national consumer media published by Alma Consumer. The media business is based on the reach of the content and the customer and reader relationship between the audience and the media. The strength of this relationship can vary from occasional visitors or buyers of single copies to the use of online services as registered users of online services, paying consumers of digital content and long-term subscribers of print publications.

Alma Media's media and services are the best-known brands in their segments in Finland and the Group's operating countries in Eastern Central Europe. The popularity of these services among users is based on a high level of usability, unique content and the importance of the social or communal dimension. Responding to the needs of local customers is key to success. In both the service business and the media business, readers and online visitors constitute target groups that are characteristic to each brand. These target groups are the basis for advertising sales. These target group contacts are sold to advertisers on a brand-specific basis and as audience segments in the digital Alma network.

Value creation

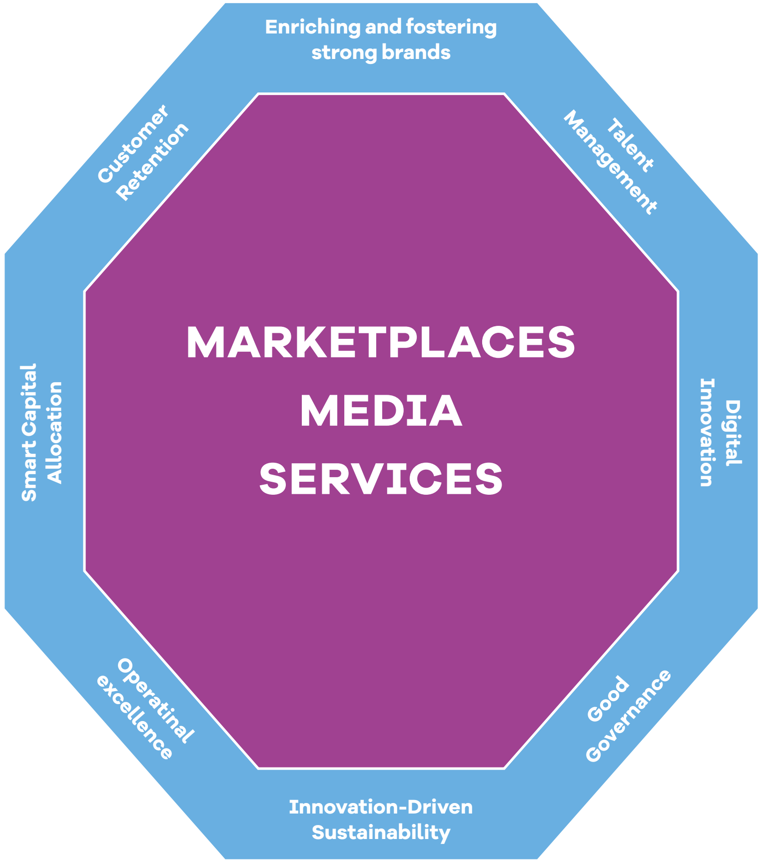
Alma Media's purpose is to accelerate the sustainable growth of individuals, companies and society. The cornerstones of our strategy are business transformation, digital growth and internationalisation. Alma Media's Value creation model is based on marketplaces, media and services.

Value creation model

RESOURCES

• The effort and skills of 1500 employees in 11 countries • Expertise in technology, digital marketing and data	**Human Talent**
• Invested capital 400 MEUR • Investment 393 MEUR in 2016-2021	**Financial Capital**
• Alma Brand and over 100 content and service brands • Advanced technology • Customer and user data	**Technology & intellectual Property**
• Carefully selected and well managed network of business partners	**Business Partners**
• Electricity and water consumption at our offices and data centers • Paper consumption (for print and publishing)	**Natural resources**

BUSINESS MODEL AND SUCCESS DRIVERS



SUSTAINABLE DEVELOPMENT GOALS

IMPACT (2021)

Customers	• 275 MEUR revenues in media, digital marketplaces and in services for consumers and professionals • Enabling sustainable choices • 13.3% recurring revenues
Employees	• 84.8 MEUR in compensation • Developing skills, talent and careers • Promoting diversity, equality and inclusion
Investors	• Total Operating result 56.8 MEUR • Dividends 29.0 MEUR • 1.6 MEUR net interest paid to financial credit institutions
Society	• 75 MEUR taxes* • Defending democracy, freedom of speech and choice. • Promoting market economy, and digitalisation. • Co-op with NGO's
Environment	• Accelerating transition to low carbon digital economy • Low emission operations

*Corporate tax, social security contributions and other taxes paid MEUR

Description of the management of non-financial information

Alma Media has a systematic sustainability management method that includes the necessary policies, processes, management and organisation as well as competence and communication. The Group develops the sustainability of its operations with a long-term approach based on its Code of Conduct, guidelines and commitments, the objectives outlined in its sustainability programme and its SBTi climate targets (science-based targets). Alma Media observes the principles of the UN Global Compact initiative, the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and other essential international human rights conventions and recommendations. Alma Media develops the sustainability of its operations at various levels of the organisation as part of day-to-day business.

The Group Executive Team assesses the sustainability programme regularly and the Board of Directors monitors sustainability performance based on the information reported by the management. Unit-level management teams and key individuals also play a key role by making sustainability-related decisions in the context of developing operations and services. The Group Executive Team discussed sustainability-related projects extensively at its two strategy meetings and common sustainability-related topics at two other meetings. The members of the Group Executive Team separately discussed reporting and target setting related to their areas of responsibility in four other meetings. In 2021, Alma Media's Board of Directors discussed the updating of the company's sustainability programme and the setting of new climate targets, and approved these in November. Alma Media's corporate communications unit coordinates the progress of the sustainability programme.

The cornerstones of Alma Media's sustainability programme are profitable growth and a high standard of business ethics, a future-fit workforce, environmental responsibility, responsible media and responsible marketplaces, and digital services. Targets have been set for each element of sustainability and their achievement is monitored annually. During the year under review, the special themes of Alma Media's sustainability efforts also included a better future for young people, promoting good working life and developing the working life competencies of young people. Based on a materiality assessment, Alma Media's sustainability programme covers six of the UN Sustainable Development Goals that are linked to Alma Media's opportunities to have an impact through its business operations: quality education, gender equality, decent work and economic growth, innovation and procurement, sustainable cities and communities, responsible consumption, climate action, peace and justice, and partnerships for the goals.

A high standard of business ethics

Alma Media bears social, economic and environmental responsibility for its operations and does not condone the use of unethical or environmentally or socially unsustainable operating methods by its suppliers and partners. The Group has a zero tolerance policy for corruption, bribery, human rights violations and inhumane working conditions. Subcontractors are trained and informed of Alma Media's Code of Conduct and sustainability programme in an appendix to supplier agreements. During the year under review, Alma Media's updated Code of Conduct was put into action by means of an employee training course. By the end of the year, over 90% of the employees in Alma Media's various operating countries had completed the course and thereby committed to the Group's ethical business principles. A corresponding Subcontractor Code of Conduct, in the form of a course, will be created for subcontractors and put into action in 2022. The target is for 50% of the Group's most significant subcontractors to complete the course on the Subcontractor Code of Conduct by the end of 2022. Alma Media's employees and stakeholders have access to an anonymous whistleblowing channel for reporting any observed misconduct. Alma Media's whistleblowing team receives the notifications and reports them to the Audit Committee of the Board of Directors. During the year under review, the Group was informed of one suspected Code of Conduct violation through the Whistleblow channel. The subsequent investigation found that the suspicion was unfounded, but certain internal processes of the company in question were clarified in response to the incident.

There were no incidents of corruption or anti-competitive behaviour at Alma Media in 2021. There are also no investigations by the authorities in progress at present.

Alma Media's sustainability programme covers nine of the UN Sustainable Development Goals

Alma Media set new science-based climate targets

During the year under review, Alma Media was not the subject of any reprimands from the authorities or rulings pertaining to non-compliance with laws and regulations governing social and economic responsibility. As a result, there were no financial losses arising from legal action. The Group's executive management, assisted by the legal department, is responsible for the ethicality of Alma Media's business operations. The Chief Procurement Officer is in charge of the development of Alma Media's responsible procurement policy.

Environmental responsibility

Based on its materiality assessment of sustainability, Alma Media has determined that the Group's strategic decision to invest in digital business has mitigated its short-term and medium-term risks related to climate change. The progress of the digital transformation of the Group's business reduces the greenhouse gas emissions of its own operations and its subcontracting chain, while the transition to a low-carbon society creates business opportunities and improves resource efficiency.

Digital sources now represent 77% of Alma Media's business, or approximately MEUR 211. For over a decade now, the Group has implemented a strategy based on the controlled digital transformation of its business. The regional media business, which relies on print products, was divested during the period 2015–2021. At the same time, the company has systematically invested in new digital services, most recently by acquiring the Nettix services during the year under review.

During the past five years, Alma Media has halved the greenhouse gas emissions arising from its own operations. The production and distribution of digital content and services is not only more environmentally friendly but also more cost-efficient compared to print products. The Group's annual capital expenditure under the digital business model amounts to MEUR 3–4. The production of digital content and services involves substantially lower consumption of materials and electricity compared to the print business. The cloud services and telecommunication services used for data management in Alma Media's Finnish operations are produced primarily from renewable energy or the emissions are compensated. The increasingly digital business model allows Alma Media to be more resource-efficient, enable more environmentally friendly choices for consumers and contribute to promoting the circular economy through its services and content.

In 2021, Alma Media set new science-based climate targets for reducing emissions in its own operations and in its subcontracting chain by 2030, using 2019 as the baseline. The Group has already achieved its previous SBTi targets set in 2016, according to which the Group aimed to reduce its greenhouse gas emissions arising from the consumption of electricity, district heating and district cooling (Scope 2) and the emissions arising from fuel consumption (Scope 1) by 21% by 2025. Indirect greenhouse gas emissions arising from procurement (Scope 3) need to be reduced by 10% by 2023. During the year under review, the company's reported Scope 1 and Scope 2 emissions decreased by 52% compared to 2016, while the emissions of the subcontracting chain (Scope 3) had decreased by 13.7% by the end of 2021, compared to 2016.

As in 2020, the lower emissions in the year under review were significantly influenced by the global COVID-19 pandemic, the restrictions on movement related to preventing the spread of the virus and the national remote work recommendations. The main reason for the reduction in emissions from properties is Alma Media's switch to zero-emission electricity and district cooling at its properties in Finland. The purchasing of hydropower-certified zero-emission electricity continued in 2021. Emissions from the media business decreased as the circulations of print publications continued to decline and readers switched from print to digital media. Emissions were also decreased by the pandemic-related lower use of services resulting from the reduced utilisation rate of transport services, distribution, aviation emissions and business premises.

To improve the reliability and continuity of emission calculations, Alma Media adopted the International Energy Agency IEA's country-specific emission factors during the year under review for instances where an energy producer-specific emission factor is unavailable, and emission figures were retrospectively recalculated according to this decision.

The table below shows Alma Media's environmental indicators, energy consumption and the development of greenhouse gas emissions during the period 2016–2021.

Alma Media and the environment	Unit	2016	2017	2018	2019	2020	2021
Energy consumption							
Petrol	GJ	4393	5,152	5,188	5,005	2,535	2,399
Diesel	GJ	1290	1,429	1,397	1,235	1,757	1,531
Electricity	GJ	9261	9,413	9,078	8,079	6,648	6,039
District heating and district cooling	GJ	4,770	5,056	5,461	4,848	3,916	5,576
Emissions							
Direct emissions (Scope 1)	tCO_2e						
Fuels		384	450	450	426	287	260
Indirect emissions (Scope 2)	tCO_2e						
District heating, district cooling and electricity, market-based		746	713	613	447	351	282
District heating, district cooling and electricity, location-based		702	657	720	566	454	468
Share of renewable energy, Scope 1 and Scope 2		0%	0%	12%	27%	33%	47%
Share of renewable energy, Scope 2		0%	0%	18%	40%	46%	62%
Scope 3:	tCO_2e	17,449	19,312	18,016	17,365	15,139	15,062

Alma Media's new climate targets cover the greenhouse gas emissions of the Group's own operations (Scope 1 and Scope 2) and the greenhouse gas emissions of the subcontracting chain (Scope 3). The targets are in line with the Science Based Target initiative, which means that the Group is committed to the initiative that aims to limit climate warming globally to at most 1.5°C. Alma Media is committed to reducing its absolute Scope 1 and Scope 2 greenhouse gas emissions by 46 per cent by 2030. The baseline for emission reductions is the pre-pandemic year 2019. Emission reduction efforts are particularly targeted at reducing emissions from company cars, electricity, district heating and district cooling. Alma Media is also committed to reducing greenhouse gas emissions in its subcontracting chain (Scope 3) by 14 per cent by 2030, focusing on the reduction of emissions from the printing of publications and the purchasing of logistics services. The validation of the SBTi target updated in autumn 2021 is pending approval by the Science Based Targets organisation. The carbon footprint of Alma Media's own operations (Scope 1 and Scope 2) is small, with only four per cent of the Group's greenhouse gas emissions being generated by its own operations. The remaining 96 per cent are generated in the subcontracting chain.

The responsibility for the development of Alma Media's environmental policy lies with the Group's senior management, but the key individuals in day-to-day environmental efforts include Alma Media's Chief Procurement Officer and Facility Manager, the Chief Information Officer and the management of the business units. The most important of the commitments and policies that guide the Group's environmental efforts are Alma Media's SBTi target, sustainability programme and procurement policy.

Based on the materiality analysis, Alma Media's media and services have significant opportunities related to mitigating climate change and making society operate in more environmentally friendly ways. The Group's media distribute information on the impacts of climate change, stimulate discussion and provide examples of climate-friendly solutions. Digital services help consumers make sustainable choices, such as choosing energy-efficient homes or low-emission vehicles.

Reporting in accordance with the EU Taxonomy Regulation

The purpose of the classification system known as the EU Taxonomy is to identify economic activities that are relevant to climate change and to establish science-based criteria for these activities to assess the sustainability and eco-friendliness of the operations of companies. For an economic activity to be considered environmentally sustainable, it must:

a) contribute substantially to significant environmental objectives
b) do no significant harm to any other environmental objective
c) comply, at the Group level, with the minimum requirements stipulated by the UNGP, OECD and ILO

The Taxonomy Regulation (Article 8) applies to undertakings, such as Alma Media, that are subject to an obligation to report non-financial information pursuant to the Directive concerning the reporting of non-financial information. The taxonomy regulations consist of Regulation (EU) 2020/852 of the European Parliament and of the Council, the related delegated act and its Annex I (climate change mitigation) and Annex II (climate change adaptation).

Alma Media started a project in 2021 to assess the impacts of the EU Taxonomy on the company's business activities and reporting. The goals of the project are:

a) to identify and assess the Group's significant own taxonomy-eligible activities
b) calculate and communicate key performance indicators (KPIs) in accordance with the taxonomy.

The significant taxonomy-eligible activities have been identified and assessed by using NACE codes and comparing the Group's activities with the economic activities described in the delegated act and its annexes.

The KPIs required by the taxonomy for 2021 are taxonomy-eligible and non-eligible revenue, capital expenditure and operating expenditure. The revenue KPI shows the degree to which the Group's activities are taxonomy-eligible. The capital expenditure and operating expenditure KPIs illustrate how the Group aims to improve its infrastructure, processes and production lines to become a low-carbon operator or reduce climate emissions.

For revenue, the taxonomy-eligible activities we have identified include businesses related to training, video and digital media in accordance with the taxonomy regulations 8.3 (radio and television activities), 11 (training) and 13.3 (film, video and television programme production, record and music publishing). While we have identified multiple activities as being taxonomy-eligible, we have ensured that each service or product produced by the Group is counted only once in the KPI reflecting taxonomy-eligible revenue.

At this stage, only those economic activities that have the greatest need and potential to significantly contribute to climate change mitigation and adaptation are considered to be within the scope of the EU Taxonomy Regulation. As most of Alma Media's business activities are not yet defined in the EU Taxonomy, they are classified in the table above as non-eligible. This includes the digital marketplaces business, digital comparison services, print-based media business, data business, telemarketing, book sales and media sales consulting.

As regards capital expenditure, our definition of taxonomy-eligible capital expenditure covers capital expenditure that is closely linked to taxonomy-eligible assets based on revenue and that satisfy more detailed definitions pertaining to the reduction of emissions. We did not identify a significant amount of taxonomy-eligible capital expenditure for 2021.

As regards operating expenditure, our definition of taxonomy-eligible operating expenditure covers operating expenditure that aims to reduce environmental emissions and is allocated to business premises, cars or training. Examples of operating expenditure that we defined as taxonomy-eligible include investments in electric vehicle charging infrastructure and the electrification of the motor vehicle fleet, employee training investments related to climate action and the additional costs of renewable energy purchased by the Group. It should be noted that the definition of operating expenditure under the taxonomy is highly specific and it only includes a very small proportion of the Group's operating expenditure. Operating expenditure, total (MEUR 5.1, denominator) is defined in accordance with the taxonomy regulations. It includes Alma Media Group's research and development expenditure, expenditure on business premises' energy and renovations and the leasing expenses for the motor vehicle fleet.

In our reporting for 2021, we have assessed the taxonomy-eligibility of the Group's economic activities, but we have

	Total, MEUR	Taxonomy-eligible share, %	Non-eligible share, %
Revenue *	275.4	23.7%	76.3%
Capital expenditure *	5.5	1.8%	98.2%
Operating expenditure	5.1	5.1%	97.5%

not yet assessed their taxonomy alignment. We will continue the project in the new year, we will monitor the regulatory developments and we will assess and report on the taxonomy alignment of the Group's economic activities in 2022.

*) the figure "revenue and capital expenditure, total" is reported in accordance with Alma Media Group's consolidated financial statements for 2021. The calculation principles and a more detailed breakdown of revenue and capital expenditure is provided in sections 1.1, 1.2, 2.1 and 2.2 of the financial statements.

Responsible media

The development of responsible journalism and marketing as well as the use of consumer data at Alma Media are guided by legislation as well as the guidelines issued by various regulatory bodies. The key guidelines pertaining to journalism include the Guidelines for Journalists as well as the statements and decisions made by the Council for Mass Media — the self-regulatory body of the Finnish media industry — in response to complaints from the public. The responsibility for the journalistic content of Alma Media's media lies with the Editor-in-Chief of each media, assisted by editorial supervisors.

The shared responsibility target for the Group's media is the number of condemnary decisions by the Council for Mass Media. According to the target set for 2021, the Group's media brands' combined share of the condemnatory decisions issued by the Council should be under 20 per cent of the total condemnatory decisions issued during the year. During the year, none of Alma Media's media were issued a condemnatory decision by the Council for Mass Media. The Council for Mass Media issued 60 decisions based on complaints, with 24 of these decisions being condemnatory. The target set for 2022 is a maximum of five condemnatory decisions issued by the Council for Mass Media concerning

Summary of Alma Media's key sustainability targets

	KPI	Target	2021	Target 2022
Responsible journalism: journalism marketing	Condemnatory decisions issued by the Council for Mass Media	<20% share of condemnatory decisions issued by the Council for Mass Media	0% / 0 decisions	<5 condemnatory decisions issued by the Council for Mass Media regarding Alma Media's media
	Adherence to the the International Chamber of Commerce's guidelines on good marketing practices.	0 advertisements in violation of good marketing practices in the Group's media and services	0	0 advertisements in violation of good marketing practices in the Group's media and services
Ethics in business: employees and subcontracting	Adherence to Alma Media's updated Code of Conduct among the Group's employees and in the subcontracting chain	Rate of completion of Code of Conduct training among the Group's employees.	90% of the employees	100% of the employees
		Subcontractors commit to Alma Media's Code of Conduct	Drafting a new Subcontractor Code of Conduct	50% of the Group's most significant subcontractors have completed the course on the Subcontractor Code of Conduct
Data security and data privacy	Alma Media's services offer a high standard of data security for users, and customer data is processed in a diligent and legally compliant manner	No serious data security violations in the Group's services	0	0 serious data security violations
Good employer	Alma Media's QWL (Quality Worklife) employee survey	>82%	85.4%	83% QWL index
	The employees' willingness to recommend their employer	8/10 are willing to recommend Alma Media as an employer	8.1/10	9/10 are willing to recommend Alma Media
Environmental responsibility: Own operations (Scope 1 & 2)	CO_2 emissions arising from the consumption of electricity, district heating and district cooling and the fuel consumption of company cars.	21% (2016–2025)	52% (2016–2021)	4.3% per year
Subcontracting chain (Scope 3)	Indirect CO_2 emissions caused by the subcontracting chain	10% (2016 -2023)	-13.1% (2016–2021)	-1.23% per year

Alma Media's media brands. Going forward, the Group's media will also have an annual development target. The financial and professional media seek to verify the impact of media in improving awareness among citizens and companies regarding solutions that promote sustainable development. In 2022, articles that present solutions for sustainable development will be tagged with a shared keyword. Going forward, the Group's media will monitor the number of sustainability-related articles published and the development of reach. Iltalehti will carry out training for its journalists regarding climate-related news. The media will also continue to develop journalistic competence through shared training activities.

The Group does not publish advertising that is in violation of good advertising practices and has set a target for responsible marketing, according to which its online and mobile services should not feature any advertisements that violate the guidelines of good marketing practices published by the International Chamber of Commerce. During the year under review, Alma Media did not receive any complaints in its operating countries from the authorities that supervise ethics in advertising or the marketing industry's own self-regulatory bodies.

In developing the responsibility of its advertising, Alma Media observes the International Chamber of Commerce Code of Advertising and Marketing Communication Practice, the International Advertising Bureau (IAB) guidelines concerning digital advertising and Europe-wide publisher self-regulation principles concerning targeted online advertising (OBA self-regulation). The truthfulness of marketing and preventing the misleading of consumers is a basic condition for campaigns published in the Group's media and services.

The digitalisation of advertising has seen the focus of the development of responsible advertising shift increasingly to ensuring the security of the advertising environment as well as the responsible collection and use of consumer data. Alma Media's media sales and marketing organisation is in charge of the development of responsible marketing together with each brand's marketing organisation.

Responsible marketplaces and services

Alma Media's objective is that there are no serious data privacy or data security breaches in the online services owned by the company that would create an obligation to inform the authorities. Alma Media was not made aware of any serious data privacy or data security breaches in 2021. Alma Media develops its digital services in accordance with its data security policy and data privacy description and in compliance with the current legislation governing data privacy and data security as well as national and international guidelines, with the recommendations and guidelines issued by the European Data Protection Board being the most important among these. The management of the business units, together with the ICT organisation and the legal department, are responsible for the technical development of the online services owned by the Group and for ensuring that they comply with data privacy and data security recommendations and regulations as well as continuously updating employee competence pertaining to data privacy and data security.

Future-fit workforce

The aim of Alma Media's HR strategy is to support the digital transformation of the company by enhancing the employees' expertise, commitment and well-being as well as by ensuring the availability of suitable employees. The Group is committed to treating its employees fairly and building a diverse and equal work community. The achievement of these objectives is supported by targets related to, among other things, the commitment of new employees, enhancing job satisfaction and the equal and ethical treatment of employees. The development of employee competence and well-being at Alma Media is supported by the Group HR function.

The company's aim is to have a personal plan prepared for each employee to support the development of their competence. Goal-driven competence development is followed up in one-to-one discussions between supervisors and employees. Alma Media arranges training programmes that support the development of employee competence and invests in the collaborative learning of employees and knowledge sharing, for example, by organising mentoring programmes, competence workshops and theme events. The company takes a long-term approach to the development of managerial work and builds an international network of supervisors to support the sharing of best practices related to leadership and management.

The targets set for employee commitment and competence development were achieved in 2021. Alma Media measures its performance by various means, including annual employee surveys that provide a comprehensive picture of employee perceptions regarding the effectiveness of the work community and Alma Media as an employer. The most extensive of these surveys is the annual Quality of Work Life (QWL) survey conducted in all of Alma Media's units. The target set for the survey is a QWL index of at least 82 per cent. This target was exceeded in the year under review, with the score being 85.4 per cent.

	Number of employees	Women as supervisors, %	Men as supervisors, %
Finland	975	48	52
Czech Republic	353	24	76
Baltic countries: Estonia, Latvia, Lithuania	74	47	53
Slovakia	106	44	56
Croatia	90	33	67
Bosnia	38	50	50
Sweden	15	0	100
Other	34		
Total	**1,690**		

	Under 30 years	30–50 years	Over 50 years	Fixed term	Permanent	Full-time	Part-time	Total
Baltic countries	31%	64%	5%	1%	99%	96%	4%	100%
Bosnia and Herzegovina	18%	82%	0%	32%	68%	100%	0%	100%
Croatia	19%	78%	3%	0%	100%	89%	11%	100%
Other operating countries	27%	73%	0%	18%	82%	100%	0%	100%
Sweden	20%	73%	7%	7%	93%	87%	13%	100%
Slovakia	23%	75%	2%	2%	98%	96%	4%	100%
Finland	17%	64%	19%	7%	93%	90%	10%	100%
Czech Republic	14%	83%	2%	11%	89%	89%	11%	100%

The state of the work community is also measured annually by finding out how willing the employees are to recommend Alma Media as an employer. The target is a score of at least 8 on a scale of 1–10. Alma Media achieved a score of 8.1 (eNPS 32). In addition to using surveys, Alma Media evaluates its performance as an employer by monitoring the long-term retention of new employees. The target is for 90 per cent of new employees to stay with the Group for at least two years after being hired. Alma Media achieved the target set for the retention of new employees in 2021. Of the employees who joined the company two years ago as new employees, more than 90 per cent remained with the company during the year under review. The voluntary departure turnover of Alma Media's employees in the Group's operating countries was 7.6 per cent on average.

Building an inspiring, inclusive, equal and diverse work community is a shared goal for all Alma Media employees. Development in this area is supported by the Group HR function.Alma Media's Finnish business units update their non-discrimination, diversity and equality plans in two-year intervals under the guidance of the HR function. The plans cover topics such as differences in pay, the justification for fixed-term employment relationships and the job-specific gender distribution in each unit.

Alma Media's number of employees, type of employment relationship, age distribution and voluntary departure turnover in the year under review are shown in the table below.

Alma Media recruits new employees purely based on their competence and aptitude. All Alma Media employees are entitled to receive fair and rewarding compensation, have opportunities to develop their skills and abilities, receive feedback, remain informed about the company and work in a safe, pleasant, renewal-oriented and developing environment where everyone's privacy and private life are respected. In accordance with the company's Code of Conduct, everyone at Alma Media must respect basic human rights.

Alma Media has a zero tolerance policy regarding the discrimination and inappropriate treatment of employees. The company reports annually on whether any such incidents have occurred.A total of five (5) suspected incidents of bullying or sexual harassment were reported in 2021. All of the incidents reported to the company were thoroughly investigated. The necessary measures were taken and all five cases were closed by the end of the year. Alma Media was not subject to any reprimands or penalties by the authorities due to discrimination during the year under review.

Alma Media's employees have primarily worked using a multi-local work model during the COVID-19 pandemic. Supervisors have received training related to managing multi-local work. In spite of the exceptional circumstances and the extensive transition to remote work, there were no interruptions in Alma Media's services during the year and service quality was successfully maintained.

Risks and risk management

At Alma Media Group, the task of risk management is to detect, evaluate and monitor business opportunities, threats and risks, to ensure the achievement of objectives and business continuity. The risk management process identifies and controls 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 function and thereby part of good corporate governance.

Alma Media uses a harmonised risk assessment and reporting model. With regard to risks, the company also monitors the development of national, EU-level and international regulations and agreements.

Risks are assigned priorities in the risk matrix by estimating the euro-denominated impacts and probabilities of the realisation of each risk. In estimating the impacts of the realisation of risks, reputation impacts and environmental impacts are taken into account in addition to the estimated direct euro-denominated impacts. Each segment, function and unit is responsible for the management of risks related to their operations.

The company's most significant strategic risks are related to cyber risks, data security and data privacy violations, rapid changes in the existing business models of marketplaces and changes in media consumption among consumers. Data security risks are managed in various ways; for example, by improving proactive automation to detect server attacks in a timely manner and by regularly training the employees on data security and data privacy.

An increasingly important source of competitive advantage, but also a strategic risk, in Alma Media's business is the ability to use customer data to improve the users' service experience and develop the product and service offering for advertisers. Alma Media manages customer data and behavioural data, taking regulatory requirements into consideration, by centralising customer data repositories and deploying analysis and activation technology. Potential restrictions concerning the use of third-party cookies could create uncertainty factors, at least temporarily, related to digital advertising sales.

The regulation of the media sector and the related market practices is becoming stricter.

The changes in the operating environment and the rapid technological development require continuous investments in employee competence and development. Ensuring adequate and highly competent technology-related human resources for the years to come is a significant strategic risk.

A further risk to Alma Media's business is the potential decline in digital audiences, as well as a potential permanent decrease in digital advertising sales and listing advertising.

The continuation of the widespread pandemic may have a significant impact on the demand for services on the one hand and, on the other hand, it can cause substantial production disruptions in business processes due to significant risks related to employee health. In addition to the COVID-19 pandemic, geopolitical risks in Alma Media's operating countries may have a significant impact on service demand.

The most significant operational risks are disturbances of information technology and communications as well as interruptions in daily news production.

The non-financial risk management process also covers responsibility risks whose significance is assessed both in financial terms and in terms of the potential damage caused to the Group's reputation if the risk were to materialise. The Group communicates its responsibility risks and challenges related to the development of corporate responsibility transparently in its stakeholder communications.

Risks related to the erosion of the responsibility of media and services

Even in Finland, trust in the media has weakened, although it is still high by international comparison. Alma Media's business is based on trust. Readers, advertisers and the users of digital services must be able to trust that the Group publishes truthful, objective and pluralistic content while also providing a secure advertising environment and digital services that are safe to use. To maintain the trust of its readers and customers, Alma Media systematically develops its employees' competencies and technological skills, and the Group has also set annual and long-term targets concerning responsible journalism and marketing as well as digital responsibility, which are incorporated into the incentive schemes for employees. The day-to-day work of editorial offices, media sales and the ICT organisation are also guided by the decisions of the regulatory bodies concerning responsible journalism and marketing, data privacy and data security as well as feedback from customers and readers received through various channels and the results of reader and customer satisfaction surveys.

Environmental risks

Based on its materiality assessment of sustainability, Alma Media has determined that the strategic decision to invest in digital business reduces risks related to climate change and the environment. In the short term, warmer winters will complicate the harvesting of wood by the paper suppliers that operate as Alma's subcontractors, which may lead to higher paper prices. Increasingly strict national and EU-level climate regulations may also have cost impacts in Alma Media's subcontracting chain. Changes involving paper and delivery costs have an effect on the costs of print publications, for example. Print media accounts for approximately 66% (MEUR 32) of Alma Media's content sales. In the longer term, increasing extreme weather phenomena caused by climate change are predicted to increase the risk of technical disruptions to digital services in Alma Media's operating countries. Alma Media manages its environmental risks by systematically developing its operations in accordance with the Group's science-based SBTi climate targets and by also engaging the commitment of its key suppliers to the Group's climate targets. The environmental risks associated with purchasing are reduced by Alma Media operating in 11 European countries. The procurement of each country unit is focused on the domestic market or nearby regions, which enables comprehensive oversight of suppliers. The risk of disruptions in the availability of digital services is mitigated by improving operational reliability. Operational reliability has been improved by transitioning to cloud services and by purchasing other necessary server capacity from state-of-the-art data centres.

Social and HR-related risks

The development of Alma Media's business is highly dependent on the systematic development of employee competence and the Group's ability to attract and retain highly competent and motivated employees. Many of the professional groups that are significant to the Group's capacity for renewal and competitiveness are characterised by intense competition in the job market. For this reason, Alma Media considers the failure to adequately develop competencies and engage the commitment of employees to be its most significant HR-related risk.

The Group manages its HR-related risks by taking a long-term approach to the development of its employer image, recruitment, supervisory work and management. In accordance with its HR strategy, the Group also invests in career guidance and provides employees with diverse opportunities for on-the-job learning and the continuous development of competence. Alma Media assesses its risk management performance by monitoring its progress towards its responsibility targets related to the Group's ability to engage and retain new employees, the employee experience and strengthening the company's employer image. Progress towards these targets is reported on annually.

Risks related to unethical business practices and human rights violations

Alma Media has a vast and diverse subcontracting network that ranges from sole proprietorships engaged in content production to large international corporations. Alma Media has business operations in 11 countries. Ethics violations by the Group's subcontractors or employees could potentially have financial or legal repercussions for Alma Media and they could damage the Group's reputation. To ensure that consistent ethical principles are observed in the Group's business operations, Alma Media requires all of its employees and its most significant subcontractors to commit to the Group's ethical business principles and takes a goal-driven approach to the development of its organisational culture and operating methods and strives to minimise risks through target setting, reporting and communication, among other things.

Risk	Risk definition	Risk mitigating actions
STRATEGIC RISKS		
Changes in media consumption and the business models of marketplaces	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. Ensuring that content is interesting. Developing the user interfaces of media as well as purchasing paths and payment systems, for example. Sufficient investments and resources in research and development.
Change in the competitive landscape, intensifying competition from international platform giants and aggregators	Expansion of international platforms, industry convergence, reduced price competitiveness. Technological solutions and implementations by platform providers that restrict the operations of other companies.	Service business development, active development of the existing business, diversification of revenue sources, geographic diversification of business.
Digital media audiences and digital advertising	A significant drop in subscribers and readers, a permanent decline in digital advertising sales and pricing pressures on services.	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. Delivery partnerships and publisher cooperation.
Customer data, restrictions on the use of third-party cookies	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. Violations of the GDPR or other regulations governing data privacy. Third-party cookies cannot be used for data collection and, subsequently, for targeting advertising and content sales.	Business development driven by customer needs. Measures to promote digital business competitiveness and data management. Sufficient investments and resources in data management and systems as well as the development of data privacy procedures and employee competence. Increasing the number of registered users of services and increasing the use of Alma ID.
The global pandemic and its continuation	A widespread pandemic may have a significant impact on the demand for services and products on the one hand and, on the other hand, it can cause substantial production disruptions in business processes due to significant risks related to employee health.	Monitoring the operating environment and reacting to changing circumstances with sufficient speed. The organisation's ability to adapt to the prevailing circumstances. Occupational safety measures concerning employees.
GDPR and ePrivacy	Interpretations by the authorities regarding the practical application of the GDPR, the upcoming ePrivacy Regulation and potential legislative changes concerning taxation.	Internal training, monitoring legislation and the regulatory interpretations of the authorities, building processes for legally required changes in the organisation.
Cyber risks	The risk of being targeted by data security attacks and data theft.	Contingency plans and risk management actions, ensuring sufficient competencies, insurance.
Competence; the retention, recruitment and development of highly competent employees.	Technological development and the demands of new technology increase the risk of obtaining and maintaining sufficient competencies and achieving employee commitment.	HR strategy, creating commitment in key individuals, additional resource allocation and trainee programmes, employee well-being.

Risk	Risk definition	Risk mitigating actions
OPERATIVE RISKS		
Disturbances of information technology and communications	Reliability of information networks.	Contingency plans, decentralised server solutions, cloud computing, ensuring sufficient competencies.
FINANCIAL RISKS		
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.
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.
RISKS RELATED TO THE REPORTING OF NON-FINANCIAL INFORMATION		
Risks related to journalism	The erosion of the appreciation and reliability of media content. Monitoring and managing editorial content is challenging in the digital environment.	Developing editorial teams' practices and employee competence. Reader satisfaction surveys, customer contacts and feedback. Participation in journalism industry events and organisations.
Risks related to marketing	Diminishing reliability as an advertising environment. Publishing advertising that is contrary to good marketing practices or disrupts the reading experience. Ethical risks related to digital marketing, such as programmatic buying, including partner risks, providing a safe brand environment as a publisher. Technological risks.	Customer satisfaction surveys, customer contacts and feedback. Developing marketing practices and employee competence. Technology acquisition.

Changes in Group structure in 2021

Changes in Group structure are described in the strategy section of the Report by the Board of Directors as well as in the notes to the consolidated financial statements, in Note 4.2 Subsidiaries, Note 4.3 Business combinations and 4.4 Associated companies.

Annual General Meeting 2021

Alma Media Corporation's Annual General Meeting (AGM) held on 24 March 2021, with special arrangements, confirmed the financial statements for 2020 and released the members of the Board of Directors and the President and CEO from liability. The AGM decided that a dividend of EUR 0.30 per share shall be paid for the financial year 2020.

Peter Immonen, Esa Lager, Alexander Lindholm, Petri Niemisvirta, Jorma Ollila and Catharina Stackelberg-Hammarén were elected as Board members. In its constitutive meeting after the AGM, the Board of Directors elected Jorma Ollila as its Chairman and Petri Niemisvirta as its Vice Chairman.

The Board of Directors also appointed the members to its permanent committees. Esa Lager, Alexander Lindholm and Petri Niemisvirta were elected as members of the Audit Committee, with Esa Lager as Chairman. Timo Aukia, Peter Immonen and Timo Sallinen were elected as members of the Nomination and Compensation Committee, with Henrik Ehrnrooth as Chairman. Jorma Ollila served as an expert member in the Nomination Committee.

The Board of Directors has assessed that, with the exception of Peter Immonen, Esa Lager, Alexander Lindholm and Jorma Ollila, the members of the Board are independent of the company and its significant shareholders. Peter Immonen is a member of the Board of Mariatorp Oy, Esa Lager is a member of the Board of Ilkka-Yhtymä Oyj, Alexander Lindholm is the CEO of Otava Group and in 2019 Jorma Ollila had been a member of the Board of Otava Ltd. for ten consecutive years (a relationship with a significant shareholder pursuant to subsection j) of Recommendation 10 of the Corporate Governance Code).

Mikko Korttila, General Counsel of Alma Media Corporation, serves as the secretary to the Board of Directors in accordance with the Board's Charter.

The AGM appointed PricewaterhouseCoopers Oy as the company's auditors, with Niina Vilske, APA, as the principal auditor.

Remuneration of Board members

In accordance with the proposal of the Shareholders' Nomination Committee, the Annual General Meeting decided that the remuneration be kept unchanged, and that the following annual remuneration be paid to the members of the Board of Directors for the term of office ending at the close of the Annual General Meeting 2022: to the Chairman of the Board of Directors, EUR 62,500 per year; to the Vice Chairman, EUR 40,000 per year, and to members EUR 32,500 per year.

In addition, the Chair of the Board of Directors and the Chair of the Audit Committee will be paid a fee of EUR 1,500, the Chair of the Nomination and Compensation Committee a fee of EUR 1,000, the Deputy Chairs of the committees a fee of EUR 700 and members a fee of EUR 500 for those Board and Committee meetings that they attend. The travel expenses of Board members will be compensated in accordance with the company's travel policy.

The attendance fees for each meeting are:

- doubled for (i) members living outside Finland in Europe or (ii) meetings held outside Finland in Europe; and
- tripled for (i) members resident outside Europe or (ii) meetings held outside Europe.

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 per cent 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 2021 interim report or, if this is not possible due to insider trading regulations, as soon as possible thereafter. If it is not possible to acquire the shares by the end of 2021 for a reason such as pending insider transactions, the annual remuneration shall be paid in cash. Shares acquired in this way cannot be transferred until the recipient's membership on the Board has ended. The company is liable to pay any asset transfer taxes which may arise from the acquisition of shares.

Authorisation to the Board of Directors to repurchase own shares

The AGM authorised the Board of Directors to decide on the repurchase of a maximum of 824,000 shares in one or more lots. The maximum authorised quantity represents approximately one (1) per cent of the company's entire share capital. The shares shall be acquired using the company's non-restricted shareholders' equity through trading on a regulated market arranged by Nasdaq Helsinki Ltd and in accordance with its rules and instructions, for which reason the acquisition is directed, in other words, the shares will be purchased otherwise than in proportion to the shareholders' current holdings. The price paid for the shares shall be based on the price of the company share on the regulated market so that the minimum price of purchased shares is the lowest market price of the share quoted on the regulated market during the term of validity of the authorisation and the maximum price, correspondingly, the highest market price quoted on the regulated market during the term of validity of the authorisation. Shares can be purchased for the purpose of improving the company's capital structure, financing or carrying out corporate acquisitions or other arrangements, implementing incentive schemes for the management or key employees or to be otherwise transferred or cancelled. The authorisation is valid until the following AGM, but not later than 30 June 2022.

Authorisation to the Board of Directors to decide on the transfer of own shares

The AGM authorised the Board of Directors to decide on a share issue by transferring shares in possession of the company. A maximum of 824,000 shares may be issued on the basis of this authorisation. The maximum authorised quantity represents approximately one (1) per cent of the company's entire share capital. The authorisation entitles the Board to decide on a directed share issue, which entails deviating from the pre-emption rights of shareholders. The Board can use the authorisation in one or more lots. The Board of Directors can use the authorisation to implement incentive programmes for the management or key employees of the company.

The authorisation is valid until the following AGM, but not later than 30 June 2022. This authorisation overrides the share issue authorisation granted at the Annual General Meeting of 29 April 2020.

Authorisation to the Board of Directors to decide on a share issue

The AGM authorised the Board of Directors to decide on a share issue. A maximum of 16,500,000 shares may be issued on the basis of this authorisation. The maximum number of shares that may be issued under the authorisation corresponds to approximately 20 per cent of the company's entire share capital. The share issue can be implemented by issuing new shares or by transferring treasury shares. The authorisation entitles the Board to decide on a directed share issue, which entails deviating from the pre-emption rights of shareholders. The Board can use the authorisation in one or more lots.

The Board can use the authorisation for developing the capital structure of the company, widening the ownership base, financing or executing acquisitions or other arrangements, or for other purposes decided on by the Board. The authorisation cannot, however, be used to implement incentive schemes for the management or key employees of the company.

The authorisation is valid until the following AGM, but not later than 30 June 2022. This authorisation overrides the corresponding share issue authorisation granted by the AGM of 29 April 2020, but not the share issue authorisation proposed above.

Donations

The AGM authorised the Board to decide on donations amounting to no more than a total of EUR 50,000 to universities in 2021–2022, with the more detailed conditions of the donations to be decided by the Board of Directors.

Dividends

In accordance with the proposal of the Board of Directors, the AGM resolved that a dividend of EUR 0.30 per share be paid for the financial year 2020. The dividend was to be paid to shareholders who were registered in Alma Media Corporation's shareholder register maintained by Euroclear Finland Ltd on the record date, 26 March 2021. The dividend was paid on 6 April 2021.

20 PRINCIPAL SHAREHOLDERS ON 31 DECEMBER 2021	PCS	% OF SHARES AND VOTES
1. Otava Oy	23,922,845	29.04
2. Mariatorp Oy	15,675,473	19.03
3. Ilkka-Yhtymä Oyj	8,993,473	10.92
4. Varma Mutual Pension Insurance Company	5,327,994	6.47
5. Ilmarinen Mutual Pension Insurance Company	2,781,695	3.38
6. Elo Mutual Pension Insurance Company	1,901,595	2.31
7. Nordea Nordic Small Cap	1,859,045	2.26
8. Veljesten Viestintä Oy	851,500	1.03
9. Sr Evli Suomi Select	843,000	1.02
10. C. V. Åkerlundin Mediasäätiö Sr	782,871	0.95
11. Keskisuomalainen Oyj	782,497	0.95
12. Häkkinen Matti Juhani	721,390	0.88
13. Sinkkonen Raija Irmeli	333,431	0.40
14. Danilostock Oy	330,000	0.40
15. Koskinen Riitta Inkeri	281,498	0.34
16. Elite Alfred Berg Suomi Fokus Sr	269,961	0.33
17. Tallberg Marianne	237,250	0.29
18. Telanne Kai Markus	224,044	0.27
19. Tampereen Tuberkuloosisäätiö Sr	210,000	0.25
20. Sr Taaleritehdas Mikro Markka	200,000	0.24
Total	**66,529,562**	**80.76**
Nominee-registered	4,891,280	5.94
Other*	10,962,340	13.30
Total	**82,383,182**	**100**

*) Alma Media Corporation owns a total of 170,410 of its own shares, representing 0.15 per cent of the total number of the company's shares and related votes.

The Alma Media share

In 2021, altogether 3,699,024 Alma Media shares were traded on the NASDAQ Helsinki stock exchange, representing 4.5% of the total number of shares. The closing price of the Alma Media share at the end of the last trading day of the review period, 30 December 2021, was EUR 10.82. The lowest quotation during the review period was EUR 8.42 and the highest EUR 12.70. Alma Media Corporation's market capitalisation at the end of the review period was MEUR 891.4.

At the end of the financial year, on 31 December 2021, Alma Media Corporation held a total of 170,410 of its own shares. In 2021, the company purchased 107,029 of its own shares for a total cost of MEUR 1.1. In 2021, the company transferred 57,630 of its own shares without consideration as part of the long-term share-based incentive scheme for the company's employees.

Management ownership

The members of the Board of Directors, the President and CEO of the parent company and the other members of the Group Executive Team together held 1,417,816 shares in the company on 31 December 2021, representing 0.6% of the total number of shares and votes.

Share-based incentive schemes (LTI 2015 and LTI 2019)

The share-based incentive schemes are described in Note 1.4.2 to the consolidated financial statements.

Flagging notices

Alma Media Corporation did not receive any flagging notices in 2021.

Corporate Governance Statement for 2021

In 2021, Alma Media Corporation applied the Finnish Corporate Governance Code 2020 for listed companies in its unaltered form. A Corporate Governance Statement required by the Corporate Governance Code is presented as a separate report in connection with the Annual Report. In addition, it is publicly available on Alma Media's website: www.almamedia.fi/en/investors/governance/corporate-governance.

Remuneration policy and remuneration report

In accordance with the EU Shareholder Rights Directive, Alma Media has published its Remuneration Policy, which documents the principles of the remuneration of the Group's governing bodies and the key terms applicable to service contracts on 14 February 2020. The remuneration policy of the governing bodies was presented to Alma Media's Annual General Meeting on 29 April 2020 and it was approved without a vote.

The 2021 remuneration report for the Group's governing bodies, produced in compliance with the EU Shareholder Rights Directive (SHRD) and the Finnish Corporate Governance Code for listed companies, will be discussed at the Annual General Meeting to be held on 29 March 2022.

Operating environment in 2022

The national economies of Finland and Alma Media's other operating countries are expected to see continued substantial growth, but the period of rapid growth is expected to level off in 2022. The global COVID-19 pandemic and the variants of the virus affect the overall economic situation and continue to create uncertainty regarding economic development in 2022. Nevertheless, according to forecasts, the overall economic picture in our operating countries appears fairly stable in spite of increasing labour shortages, inflation and production costs, the gradual normalisation of stimulating monetary policy on the part of central banks, and geopolitical tensions.

Outlook for 2022

In 2022, Alma Media expects its full-year revenue and adjusted operating profit to increase from the 2021 level. The full-year revenue for 2021 was MEUR 275.4 and the adjusted operating profit was MEUR 61.1.

Dividend proposal to the Annual General Meeting

On 31 December 2021, the Group's parent company had distributable funds totalling EUR 144,833,995 (137,958,899). Alma Media's Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.35 per share (2020: EUR 0.30 per share) be paid for the financial year 2021. The dividend will be paid to shareholders who are registered in Alma Media Corporation's shareholder register maintained by Euroclear Finland Ltd on the record date, 31 March 2022. The Board of Directors proposes that the dividend be paid on 7 April 2022. Based on the number of outstanding shares on the closing date 31 December 2021, the dividend payment totals EUR 28,774,470 (24,678,651).

No essential changes have taken place after the end of the financial year with respect to the company's financial standing. The proposed distribution of profit does not, in the view of the Board of Directors, compromise the company's liquidity.

Key figures describing financial performance

The key figures are calculated according to IFRS recognition and measurement principles.

INCOME STATEMENT CONTINUING OPERATIONS		IFRS 2021	Change %	IFRS 2020	Change %	IFRS 2019	Change %	IFRS 2018	Change %	IFRS 2017
Revenue	MEUR	275.4	19.6	230.2	-8.0	250.2	-1.8	254.7	-30.7	367.3
Digital revenue	MEUR	212.1	33.9	158.9	-4.7	166.7	3.2	161.5	3.1	156.6
% of revenue	%	77.0		69.0		66.6		63.4		42.6
Operating profit (loss)	MEUR	56.8	31.7	43.1	-13.0	49.5	4.4	47.5	1.9	46.6
% of revenue	%	20.6		18.7		19.8		18.6		12.7
Adjusted operating profit	MEUR	61.1	34.7	45.4	-8.2	49.4	3.8	47.6	-6.8	51.1
% of revenue	%	22.2		19.7		19.8		18.7		13.9
Adjusted items*	MEUR	-4.3	90.2	-2.3	-2196.5	0.1	-178.9	0.1	-97.0	4.5
Profit before tax	MEUR	56.3	33.4	42.2	-13.8	49.0	1.8	48.1	4.8	45.9
Adjusted profit before tax	MEUR	60.6	36.3	44.5	-9.0	48.9	1.3	48.3	-4.3	50.4
Profit for the period	MEUR	44.3	33.1	33.3	-17.8	40.5	5.8	38.2	4.1	36.7
Share of profit of associated companies	MEUR	1.0	755.2	0.1	-78.4	0.5	272.0	-0.3	147.5	0.7
Net financial expenses	MEUR	1.4	47.0	1.0	-8.7	1.1	-208.8	-1.0	-177.0	1.3
Net financial expenses, % of revenue	%	0.5		0.4		0.4		-0.4		0.3
Profit for the period, discontinued operations	MEUR			65.8	702.7	8.2		9.7		
Profit for the period	MEUR	44.3	-55.2	99.1	103.6	48.7		47.9		

* The adjusted items are specified in more detail on page 12 of the Report by the Board of Directors.

BALANCE SHEET*		IFRS 2021	Change %	IFRS 2020	Change %	IFRS 2019	Change %	IFRS 2018	Change %	IFRS 2017
Balance sheet total	MEUR	518.4	55.2	333,,9	-16.7	400.9	16.0	345.6	3.5	333.8
Interest-bearing net debt	MEUR	181.8		-9.1		23.7		2.0		40.2
Interest-bearing liabilities	MEUR	233.7	500.9	38.9	-57.1	90.8	76.2	51.5	-16.0	61.3
Non-interest-bearing liabilities	MEUR	118.2	30.6	90.5	-15.9	107.6	0.3	107.2	-6.1	114.2

OTHER INFORMATION, CONTINUING OPERATIONS		IFRS 2021	Change %	IFRS 2020	Change %	IFRS 2019	Change %	IFRS 2018	Change %	IFRS 2017
Average no. of employees, excl. telemarketers		1,549	3.4	1,497	-2.1	1,530	1.2	1,512	5.2	1,437
Telemarketers on average		337	0.6	335	10.2	304	-7.2	328	7.2	306
Capital expenditure	MEUR	247.1	170.4	91.4	620.0	12.7	-41.7	21.8	-1.8	22.2
Capital expenditure, % of revenue	%	89.7		39.7		5.1		8.6		6.0
Research and development costs	MEUR	4.6		4.6	8.1	4.3	-1.0	4.3	-13.7	5.0
Research and development costs, % of revenue	%	1.7		2.0		1.7		1.7		1.4

KEY FIGURES		IFRS 2021	Change %	IFRS 2020	Change %	IFRS 2019	Change %	IFRS 2018	Change %	IFRS 2017
Return on equity (ROE)	%	23.9	-51.0	48.7	94.7	25.0	-10.0	27.8	12.0	24.8
Return on investment (ROI)	%	14.3	-61.9	37.4	96.5	19.0	-11.6	21.6	23.6	17.5
Equity ratio	%	34.7		63.1		54.1		57.5		50.9
Gearing	%	109.2		-4.5		11.7		1.5		25.4

* The figures include both continuing and discontinued operations, unless otherwise mentioned

PER SHARE DATA		IFRS 2021	IFRS 2020	Change %	IFRS 2019	Change %	IFRS 2018	Change %	IFRS 2017
Earnings per share, basic	EUR	0.53	1.13		0.51		0.51		0.39
Earnings per share, diluted	EUR	0.52	1.11		0.50		0.50		0.39
Earnings per share, continuing operations, basic	EUR	0.53	0.33		0.41		0.39		
Earnings per share, discontinued operations, basic	EUR		0.80		0.10		0.12		
Cash flow from operating activities per share	EUR	0.92	0.68		0.87		0.68		0.63
Shareholders' equity per share	EUR	1.99	2.23		2.09		1.94		1.66
Dividend per share	EUR	0.35*	0.30		0.40		0.35		0.24
Payout ratio	%	66.0	26.5		78.0		69.2		61.5
Effective dividend yield	%	3.2	3.4		5.0		6.3		3.3
P/E Ratio		20.4	7.9		15.5		10.9		18.4
Highest share price	EUR	12.70	9.30		8.10		8.14		7.50
Lowest share price	EUR	8.42	5.82		5.48		5.10		4.88
Share price on 31 December	EUR	10.82	8.92		7.96		5.54		7.20
Market capitalisation	MEUR	891.4	734.9		655.8		456.4		592.3
Turnover of shares, total	kpcs	3,699	4,481		3,464		19,644		5,795
Relative turnover of shares, total	%	4.5	5.4		4.2		23.9		7.0
Average no. of shares (1,000 shares), basic	kpcs	82,213	82,262		82,283		82,147		82,223
Average no. of shares (1,000 shares), diluted	kpcs	83,991	83,692		83,673		83,219		83,147
No. of shares on 31 December	kpcs	82,383	82,383		82,383		82,383		82,383

*) Proposal of the Board of Directors to the Annual General Meeting

Calculation of key figures

Return on shareholders' equity, % (ROE)	Profit for the period / Shareholders' equity + non-controlling interest (average during the year)	x 100
Return on investment, % (ROI)	Profit for the period + interest and other financial expenses / Balance sheet total - non-interest-bearing debt (average during the year)	x 100
Equity ratio, %	Shareholders' equity + non-controlling interest / Balance sheet total - advances received	x 100
Operating profit	Profit before tax and financial items	
EBITDA	Operating profit excluding depreciation, amortisation and impairment losses	
Digital business, % of revenue	Digital business revenue / Revenue	x 100
Basic earnings per share, EUR	Share of net profit belonging to parent company owners / Average number of shares adjusted for share issues	
Diluted adjusted earnings per share, EUR	Share of net profit belonging to parent company owners / Diluted average number of shares adjusted for share issues	
Gearing, %	Interest-bearing debt - cash and bank receivables / Shareholders' equity + non-controlling interest	x 100
Net financial expenses, %	Financial income and expenses / Revenue	x 100
Dividend per share, EUR	Dividend per share approved by the Annual General Meeting With respect to the most recent year, the Board's proposal to the AGM	
Payout ratio, %	Dividend/share / Share of EPS belonging to parent company owners	x 100
Effective dividend yield, %	Dividend/share adjusted for share issues / Final quotation at close of period adjusted for share issues	x 100
Price/earnings (P/E) ratio	Final quotation at close of period adjusted for share issues / Share of EPS belonging to parent company owners	
Shareholders' equity per share, EUR	Equity attributable to owners of the parent / Basic number of shares at the end of period adjusted for share issues	
Market capitalisation of share stock, EUR	Number of shares x closing price at end of period	

Alternative Performance Measures

Alma Media Corporation additionally uses and presents Alternative Performance Measures to illustrate the operative development of its business and improve comparability between reporting periods. The Alternative Performance Measures are reported in addition to IFRS key figures.

The Alternative Performance Measures used by Alma Media Corporation are the following:

Operating profit excluding adjusted items (MEUR and % of revenue)	Profit before tax and financial items excluding adjusted items
EBITDA excluding adjusted items	Operating profit excluding depreciation, amortisation, impairment losses and adjusted items

Items adjusting operating profit are income or expenses arising from non-recurring or rare events. Gains or losses from the sale or discontinuation of business operations or assets, gains or losses from restructuring business operations as well as impairment losses of goodwill and other assets are recognised by the Group as adjustments. Adjustments are recognised in the income statement within the corresponding income or expense group.

Interest-bearing net debt (MEUR)	Interest-bearing debt – cash and cash equivalents

Consolidated comprehensive income statement

MEUR	Note	1.1.–31.12.2021	1.1.–31.12.2020
Continuing operations			
Revenue	1.1, 1.2	**275.4**	**230.2**
Other operating income	1.2	1.4	3.3
Change in inventories of finished products		0.1	-0.1
Materials and services	1.3	35.6	32.6
Expenses arising from employee benefits	1.3, 1.4	109.2	93.3
Depreciation, amortisation and impairment	2.1, 2.2	16.7	15.8
Other operating expenses	1.3	58.6	48.7
Operating profit	1.1	**56.8**	**43.1**
Finance income	3.1	0.9	0.3
Finance expenses	3.1	2.3	1.3
Share of profit of associated companies	4.4	1.0	0.1
Profit before tax		**56.3**	**42.2**
Income tax	5.1, 5.2	-12.1	-9.0
Profit from continuing operations		**44.3**	**33.3**
Profit form discontinued operations			65.8
Profit for the period		**44.3**	**99.1**
Other comprehensive income			
Items arising due to the redefinition of net defined benefit liability (or asset item)		-0.2	0.2
Translation differences		0.3	0.6
Other comprehensive income for the year, net of tax		0.1	0.7
Total comprehensive income for the year, net of tax		**44.3**	**99.8**

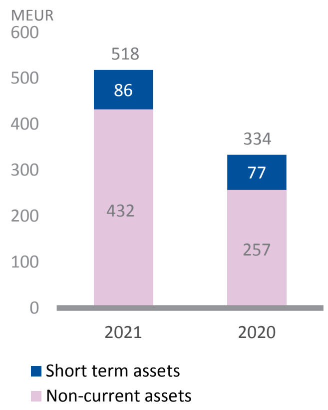
MEUR	Note	1.1.–31.12.2021	1.1.–31.12.2020
Profit for the period attributable to			
Owners of the parent company		43.6	93.3
Non-controlling interest		0.7	5.7
Total comprehensive income for the period attributable to:			
Owners of the parent company		43.7	94.1
Non-controlling interest		0.7	5.7
Distribution of total comprehensive income			
Continuing operations		44.3	34.0
Discontinued operations			65.8
Earnings per share calculated from the profit for the period attributable to the parent company shareholders, continuing operations (€)			
Earnings per share (basic)		0.53	0.33
Earnings per share (diluted)		0.52	0.33
Earnings per share calculated from the profit for the period attributable to the parent company shareholders (€)			
Earnings per share (basic)	3.9	0.53	1.13
Earnings per share (diluted)	3.9	0.52	1.11

Consolidated balance sheet

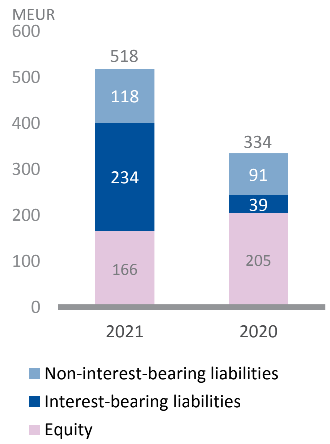
MEUR	Note	31.12.2021	31.12.2020
ASSETS			
Non-current assets			
Goodwill	2.1	294.5	150.7
Other intangible assets	2.1	90.6	55.1
Tangible assets	2.2	2.3	2.4
Right-of-use assets	2.2	32.9	38.2
Shares in associated companies	2.2	7.7	6.6
Pension receivables, defined benefit plans			0.0
Other non-current financial assets		3.6	3.9
Deferred tax assets	5.2	0.7	0.3
		432.3	**257.2**
Current assets			
Inventories	3.7	0.7	0.6
Tax receivables		1.8	1.0
Trade and other receivables		31.5	27.1
Other current financial assets	3.2	0.2	0.0
Cash and cash equivalents	3.2	51.9	48.0
		86.1	**76.7**
Assets, total		**518.4**	**333.9**
EQUITY AND LIABILITIES			
Share capital		45.3	45.3
Share premium reserve		7.7	7.7
Translation differences		0.3	0.0
Invested non-restricted equity fund		19.1	19.1
Retained earnings		91.2	111.4
Equity attributable to owners of the parent	3.9	**163.6**	**183.6**
Non-controlling interest		2.9	21.0
Total equity		**166.5**	**204.6**
Non-current liabilities			
Deferred tax liabilities	5.2	18.9	11.5
Pension liabilities	3.6	0.8	0.7
Lease liabilities	3.3	26.8	31.9
Non-current financial liabilities	3.3	216.3	13.6
		262.8	**57.8**

MEUR	Note	31.12.2021	31.12.2020
Current liabilities			
Advances received		39.2	9.9
Income tax liability		5.3	3.4
Lease liabilities	3.3	7.0	7.0
Current financial liabilities	3.3	0.8	2.8
Trade and other payables	3.7	36.8	48.5
		89.1	**71.6**
Liabilities, total		**351.9**	**129.4**
Equity and liabilities, total		**518.4**	**333.9**

Balance sheet, Assets



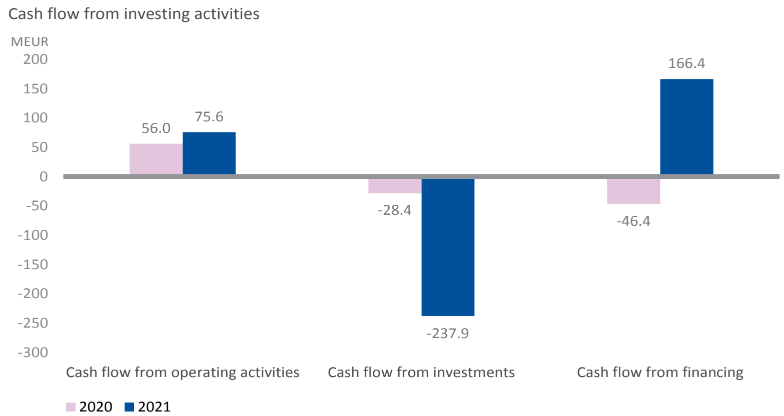
Balance sheet, Equity & liabilities



Consolidated cash flow statement

MEUR	Note	1.1.–31.12.2021	1.1.–31.12.2020
Cash flow from operating activities			
Profit for the period		44.3	99.1
Adjustments		37.1	-39.6
Change in working capital		7.3	5.8
Dividend received		0.4	0.2
Interest received		0.1	0.1
Interest paid		-2.2	-1.5
Taxes paid		-11.3	-8.1
Net cash flow from operating activities		**75.6**	**56.0**
Investing activities			
Acquisitions of tangible assets		-1.5	-0.9
Acquisitions of intangible assets		-2.3	-2.2
Proceeds from sale of tangible and intangible assets		0.4	0.0
Other investments		-0.5	-0.6
Proceeds from sale of available-for-sale financial assets		1.0	0.0
Payments of loan receivables			0.3
Business acquisitions less cash and cash equivalents at the time of acquisition		-236.7	-72.5
Proceeds from sale of businesses less cash and cash equivalents at the time of sale		2.2	51.1
Acquisition of associated companies	4.4	-0.4	-4.0
Proceeds from sale of associated companies	4.4	0.0	0.4
Investing activities		**-237.9**	**-28.4**

MEUR	Note	1.1.–31.12.2021	1.1.–31.12.2020
Cash flow before financing activities		**-162.3**	**27.6**
Financing activities			
Long term loans taken		420.0	
Repayment of long term loans		-220.0	
Short term loans taken		5.0	
Repayment of short term loans		-5.0	
Payments of lease liabilities		-7.5	-7.4
Acquisition of own shares		-1.1	-1.5
Dividends paid	3.9	-24.9	-37.6
Financing activities		**166.4**	**-46.4**
Change in cash and cash equivalent funds increase (+) decrease (-)		4.1	-18.9
Cash and cash equivalents at beginning of period	3.2	**48.0**	**67.1**
Effect of change in foreign exchange rates		0.2	-0.2
Cash and cash equivalents at end of period	3.2	**51.9**	**48.0**



Further details for the statement of cash flow

MEUR	Note	1.1.–31.12.2021	1.1.–31.12.2020
Operating activities			
Adjustments:			
Depreciation, amortisation and impairment	2	16.7	15.8
Share of profit of associated companies	4.4	-1.0	-0.1
Capital gains (losses) on the sale of fixed assets and other investments		0.0	-63.5
Financial income and expenses	3.1	1.4	1.4
Income tax	5.1	12.1	10.9
Change in provisions	1.3	-0.0	-1.6
Other adjustments		7.9	-2.5
Adjustments, total		**37.1**	**-39.6**
Change in working capital:			
Change in trade receivables		-2.9	-1.5
Change in inventories		-0.1	-0.3
Change in trade payables		10.3	7.5
Change in working capital, total		**7.3**	**5.8**
Investing activities			
Investments financed through finance leases		-2.1	
Gross capital expenditure, payment-based*		-2.2	-3.7
Sold and purchased business operations, non-payment-based		-237.2	-17.7
Investments, total		**-241.5**	**-21.4**

* Excluding investments of acquired business.

Consolidated statement of changes in equity

Attributable to equity holders of the parent

MEUR	Note	Share capital	Share premium reserve	Foreign currency translation reserve	Invested non-restricted equity fund	Retained earnings	Equity attributable to the owners of parent	Minority interest	Total equity
Total equity 1.1.2020		**45.3**	**7.7**	**-0.5**	**19.1**	**100.5**	**172.1**	**30.4**	**202.5**
Profit for the period						93.3	93.3	5.7	99.1
Other comprehensive income						0.2	0.2		0.2
Translation differences				0.6			0.6	-0.4	0.2
Transactions with equity holders									
Dividends paid by parent						-32.9	-32.9		-32.9
Dividends paid by subsidiaries								-4.6	-4.6
Acquisition of own shares						-1.5	-1.5		-1.5
Share-based payment transactions						-0.3	-0.3		-0.3
Change in ownership in subsidiaries						-47.9	-47.9	-10.2	-58.1
Total equity 31.12.2020	3.9	**45.3**	**7.7**	**0.0**	**19.1**	**111.4**	**183.6**	**21.0**	**204.6**
Total equity 1.1.2021		**45.3**	**7.7**	**0.0**	**19.1**	**111.4**	**183.6**	**21.0**	**204.6**
Profit for the period						43.6	43.6	0.7	44.3
Other comprehensive income						-0.2	-0.2		-0.2
Translation differences				0.3			0.3	0.6	0.8
Transactions with equity holders									
Dividends paid by parent						-24.7	-24.7		-24.7
Dividends paid by subsidiaries								0.0	0.0
Acquisition of own shares						-1.1	-1.1		-1.1
Disposal of own shares						0.1	0.1		0.1
Share-based payment transactions						3.6	3.6		3.6
Change in ownership in subsidiaries						-41.6	-41.6	-19.3	-60.9
Total equity 31.12.2021	0.0	**45.3**	**7.7**	**0.3**	**19.1**	**91.2**	**163.6**	**2.9**	**166.5**

Accounting principles used in the consolidated financial statements

Basic information on the Group

Alma Media Corporation (1944757-4) is an innovative media group focusing on digital services and journalistic content. The company's best-known brands are Kauppalehti, Talouselämä, Iltalehti, Etuovi.com, Nettiauto and Monster. Alma Media generates sustainable growth from media to services, providing content and services that benefit users in their everyday lives, work and leisure time. Alma Media operates in 13 European countries. The Group's parent company Alma Media Corporation is a Finnish public company established under Finnish law, domiciled in Helsinki, Finland at Alvar Aallon katu 3 C, PL 140, FI-00100 Helsinki, Finland.

A copy of the consolidated financial statements is available online at www.almamedia.fi or from the parent company head office.

The Board of Directors approved the financial statements for disclosure on 15 February 2022. According to the Finnish Limited Liability Companies Act, shareholders have the opportunity to approve or reject the financial statements at the General Meeting of Shareholders held after publication. It is also possible to amend the financial statements at the General Meeting of Shareholders.

The figures in the financial statements are independently rounded.

Accounting principles

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards, IFRS. The IAS and IFRS standards and SIC and IFRIC interpretations in effect on 31 December 2021 have been applied. International Financial Reporting Standards refer to the standards and their interpretations approved for application in the EU in accordance with the procedure stipulated in EU regulation (EU) no 1606/2002 and embodied in Finnish accounting legislation and the statutes enacted under it. The notes to the consolidated financial statements also comply with Finnish accounting and company legislation.

The Group adopted IFRS accounting principles during 2005 and in this connection applied IFRS 1 (First-time adoption), the transition date being 1 January 2004.

The consolidated financial statements are based on the purchase method of accounting unless otherwise specified in the accounting principles below. Figures in the tables in the financial statements are presented in millions of euros.

The Group's parent company, Alma Media Corporation (corporate ID code FI19447574, called Almanova Corporation until 7 November 2005) was established on 27 January 2005. The company acquired the shares of the previous Alma Media Corporation (corporate ID code FI14495809) during 2005. The acquisition has been treated in the consolidated accounts as a reverse acquisition based on IFRS 3. This means that the acquiring company was the old Alma Media Corporation and the company being acquired was the Group's current legal parent company, Almanova Corporation. The net fair value of the assets, liabilities and contingent liabilities on the acquisition date did not differ from their carrying values in the company's accounts. The acquisition cost was equivalent to the net fair value of the assets, liabilities and contingent liabilities and, therefore, no goodwill was created by the acquisition. The accounting principles adopted for the reverse acquisition apply only to the consolidated financial statements.

Changes in accounting principles

The changes in IFRS standards that entered into effect in the financial year 2021 mainly consisted of amendments to existing standards, and they had no material effect on Alma Media's consolidated financial statements.

Alma Media's new segment structure entered into effect on 1 March 2021. Alma Media also changed its revenue reporting by distributing revenue between marketplaces, media and service revenue.

Starting from the beginning of 2021, the Group has recognised advances received allocated to the recruitment business in the Czech Republic in advances received on the balance sheet instead of in trade and other payables, which was previously the case. The effect of the change amounted to MEUR 20.1 on 31 December 2021.

Translation of items denominated in foreign currencies

Figures in the consolidated financial statements are shown in euro, the euro being the functional and presentation currency of the parent company. Foreign currency items are entered in EUR at the rates prevailing at the transaction date. Monetary foreign currency items are translated into EUR using the rates prevailing at the balance sheet date. Non-monetary foreign currency items are measured at their fair value and translated into EUR using the rates prevailing at the balance sheet date. In other respects non-monetary items are measured at the rates prevailing at the transaction date. Exchange rate differences arising from sales and purchases are treated as additions or subtractions respectively in the statement of comprehensive income. Exchange rate differences related to loans and loan receivables are taken to other finance income and expenses in the profit or loss for the period.

The income statements of foreign Group subsidiaries are translated into EUR using the weighted average rates during the period, and their balance sheets at the rates prevailing on the balance sheet date. Goodwill arising from the acquisition of foreign companies is treated as assets and liabilities of the foreign units in question and translated into EUR at the rates prevailing on the balance sheet date. Translation differences arising from the consolidation of foreign subsidiaries and associated companies are entered under shareholders' equity. Exchange differences arising on a monetary item that forms part of the reporting entity's net investment in the foreign operation shall be recognised in the balance sheet and reclassified from equity to profit or loss on disposal of the net investment.

Operating profit and EBITDA

IAS 1 Presentation of Financial Statements does not include a definition of operating profit or gross margin. Gross margin is the net amount formed when other operating profit is added to net sales, and material and service procurement costs adjusted for the change in inventories of finished and unfinished products, the costs arising from employee benefits and other operating expenses are subtracted from the total. Operating profit is the net amount formed when other operating profit is added to net sales, and the following items are then subtracted from the total: material and service procurement costs adjusted for the change in inventories of finished and unfinished products; the costs arising from employee benefits; depreciation, amortisation and impairment costs; and other operating expenses. All other items in the profit or loss not mentioned above are shown under operating profit. Exchange rate differences and changes in the fair value of derivative contracts are included in operating profit if they arise on items related to the company's normal business operations. Otherwise they are recognised in financial items.

Adjusted items

Adjusted items are income or expense arising from non-recurring or rare events. Gains or losses from the sale or discontinuation of business operations or assets, transaction costs arising from business acquisitions, gains or losses from restructuring business operations as well as impairment losses of goodwill and other assets are recognised by the Group as adjusted items. Adjusted items are recognised in the profit and loss statement within the corresponding income or expense group. Adjusted items are described in the Report by the Board of Directors.

Accounting principles requiring management's judgement and key sources of estimation uncertainty

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions which may differ from actual results in the future. Management is also required to use its discretion as to the application of the accounting principles used to prepare the statements.

The management of the Group makes judgement-based decisions pertaining to the selection and application of the accounting principles used in the financial statements. This particularly applies in cases where the existing IFRS regulations allow for alternative methods of recognition, measurement and presentation.

Alma Media has identified subscription products and customer loyalty products in accordance with the provisions of IFRS 15. As the item prices of these products are not material, they are not treated as separate performance obligations based on the management's assessment of materiality. The revenue derived from such products is recognised as part of the main products.

According to IFRS 15 Revenue from Contracts with Customers, an entity shall recognise revenue when it satisfies a performance obligation by transferring a promised good or service to a customer. Alma Media's exception to the revenue recognition practices required by IFRS 15 is the recognition of revenue from credit packages associated with the recruitment business. In credit package transactions, the customer buys credits against which Alma Media provides advertising sales services during the validity of the credits, subject to an agreed-upon price list. According to the management's assessment, recognising revenue evenly over the contract period instead of a revenue recognition model based on actual use leads to essentially the same outcome as recognising revenue based on the use of the credits.

In accordance with IFRS 5, the consolidated income statement presents the result of discontinued operations separately from the result of continuing operations. The proportion of the Group's expenses that is estimated to no longer burden the result of the continuing operations has been allocated to the discontinued operations. Conversely, the proportion of the expenses that is estimated to continue to burden the result of the Group's continuing operations has been allocated to the continuing operations.

The estimates made in conjunction with preparing the financial statements are based on the management's best assessments on the reporting period end date. The estimates are based on prior experience, as well as future assumptions that are considered to be the most likely on the balance sheet date with regard to issues such as the expected development of the Group's economic operating environment in terms of sales and cost levels. The Group monitors the realisation of estimates and assumptions, as well as changes in the underlying factors, on a regular basis in cooperation with the business units, using both internal and external sources of information. Any changes to these estimates and assumptions are entered in the accounts for the period in which the estimate or assumption is adjusted and for all periods thereafter.

Future assumptions and key sources of uncertainty related to estimates made on the balance sheet date that involve a significant risk of changes to the book values of the Group's assets and liabilities during the following financial year are presented below. The management has considered these components of the financial statements to be the most relevant in this regard, as they involve the most complicated accounting policies from the Group's perspective and their application requires the most extensive application of significant estimates and assumptions—for example, in the valuation of assets. In addition, the effects of potential changes to the assumptions and estimates used in these components of the financial statements are estimated to be the largest.

The determination of the fair value of intangible assets in conjunction with business combinations is based on the management's estimate of the cash flows related to the assets in question. The determination of the fair value of liabilities related to contingent considerations arising from business combinations are based on the management's estimate. The key variable in the change in fair value of contingent considerations is the estimate of future operating profit.

Impairment tests: The Group tests goodwill and intangible assets with an indefinite useful life for impairment annually and reviews any indications of impairment in the manner described above. The amounts recoverable from cash-generating units are recognised based on calculations of their fair value. The preparation of these calculations requires the use of estimates. The estimates and assumptions used to test major goodwill items for impairment, and the sensitivity of changes in these factors with respect to goodwill testing is described in more detail in the note which specifies goodwill.

Useful lives: Estimating useful lives used to calculate depreciation and amortisation also requires management to estimate the useful lives of these assets. The useful lives applied for each type of asset are listed in the notes under 2.2 Property, Plant and Equipment and 2.1 Intangible Assets.

Other estimates: Other management estimates relate mainly to other assets, such as the current nature of receivables and capitalised R&D costs, to tax risks, to determining pension obligations and to the utilisation of tax assets against future taxable income.

For leases that are valid indefinitely but have a short period of notice, the financial statements also include an assumption of the period of time the premises in question will be used in business operations. This estimate affects the balance sheet amount of lease liability for the leases for the premises in question.

Notes to the consolidated financial statements

1. Segments and operating profit

1.1 Information by segment

Alma Media's new segment structure entered into effect on 1 March 2021. As part of the transition to a new segment structure, the Alma Mediapartners services that were previously reported as part of the Alma Markets business segment are now reported under the Alma Consumer business segment. In connection with the change, the name Alma Markets was changed to Alma Career.

Alma Media has three business segments: Alma Career, which focuses on the recruitment business and recruitment-related services in Eastern Central Europe and Finland; Alma Talent, which provides financial media and services aimed at professionals and businesses; and Alma Consumer, which focuses on the consumer media and marketplaces business. Centralised services produced by the Group's parent company, as well as centralised support services for advertising and digital sales for the entire Group, are reported outside segment reporting.

The Group's reportable segments correspond to the Group's operating segments.

Segment information is based on internal management reporting, which has been prepared in accordance with IFRS.

Recruitment-related services, such as Jobs.cz, Prace.cz, CVOnline, Profesia.sk, MojPosao.net, MojPosao.ba, Monster.fi, the Seduo online training service and Prace za rohem, are reported under the Alma Career segment. In addition to enhancing job advertising, Alma Career's objective is to expand the business into new services to support the needs of job-seekers and employers, such as job advertising-related technology, digital staffing services and training. Alma Career operates in 10 countries in Europe.

Alma Talent's core business consists of digital subscription-based content media, as well as digital data, content and marketplace services. In addition to the leading financial media brand Kauppalehti, Alma Talent's financial and professional media include Talouselämä, Tekniikka & Talous and Arvopaperi. Alma Talent Services offers professionals a comprehensive range of services related to company information, real estate information, law, financial management, competence development, leadership and marketing.

The Alma Consumer segment consists of a broad offering of 37 consumer and B2B brands. The business of the Alma Consumer segment includes the multi-channel news and lifestyle media Iltalehti, Finland's leading housing marketplace Etuovi.com and housing rental marketplace Vuokraovi.com, the automotive marketplaces Nettiauto, Autotalli.com and Nettimoto, as well as the housing and car trade systems that serve companies representing these fields.

In addition, the segment includes comparison services, such as Autojerry, Urakkamaailma and Etua. Netello, which specialises in digital advertising solutions, is also reported under the Alma Consumer segment.

Alma Consumer's competitiveness is based on the reach of media and services as a digital network, the user data pool, and the developing industry verticals in the areas of media, housing, cars and comparison services.

The segments' assets and liabilities are items used by the respective segments in their business operations

The Group's business is mainly divided between two geographical areas: Finland and the rest of Europe. Alma Career operates in Finland and 10 other European countries, principally the Czech Republic and Slovakia. The Alma Talent segment's business operations are located in Finland, the Baltic countries and Sweden. The Alma Consumer segment operates in Finland.

The revenue and assets for different geographical regions are based on where the services are located. The following tables show the geographical breakdown of the Group's revenue and assets in 2021 and 2020:

Revenue

MEUR	2021	Share of total, %	2020	Share of total, %
Segments, Finland, continuing operations	188.1	68.3	158.4	61.6
Segments, Finland, discontinued operations	0.0	0.0	27.1	10.5
Segments, other countries	87.3	31.7	71.8	27.9
Total	**275.4**	**100.0**	**257.3**	**100.0**

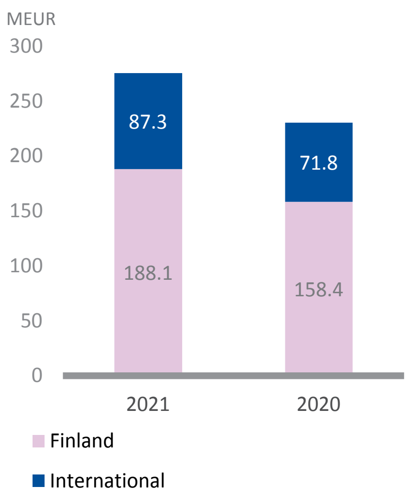
Operating profit

MEUR	2021	Share of total, %	2020	Share of total, %
Segments, Finland, continuing operations	41.1	72.5	26.3	23.6
Segments, Finland, discontinued operations	0.0	0.0	68.1	61.3
Segments, other countries	32.9	58.0	23.3	20.9
Segments total	74.1	130.5	117.7	105.8
Non-allocated	-17.3	-30.5	-6.5	-5.8
Total	**56.8**	**100.0**	**111.2**	**100.0**

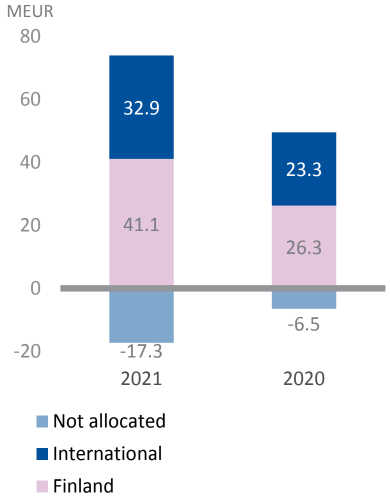
Assets

MEUR	2021	Share of total, %	2020	Share of total, %
Finland, continuing operations	375.2	72.4	216.2	64.7
Other countries	144.0	27.8	118.1	35.4
Eliminations	-0.9	-0.2	-0.4	-0.1
Total	**518.4**	**100.0**	**333.9**	**100.0**

Revenue



Operating profit



Revenue

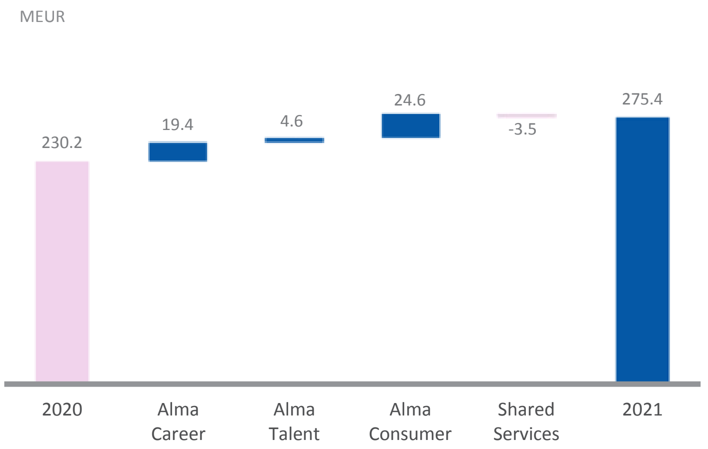
MEUR	Alma Career	Alma Talent	Alma Consumer	Segments, total	Non-allocated items and eliminations	Group
Financial year 2021						
Revenue						
External revenue	83.1	94.2	67.8	245.0	30.4	275.4
Inter-segment revenue	-0.9	5.5	26.8	31.3	-31.3	
Segments total	**82.2**	**99.7**	**94.5**	**276.4**	**-0.9**	**275.4**
Financial year 2020						
Revenue						
External revenue	63.3	89.5	48.9	201.6	28.6	230.2
Inter-segment revenue	-0.6	5.6	21.1	26.1	-26.1	0.0
Segments total	**62.7**	**95.1**	**69.9**	**227.7**	**2.5**	**230.2**

MEUR	2021	2020
Reportable segments total, including discontinued operations	275.4	254.8
Non-allocated operations	-0.9	2.5
Group total, including discontinued operations	274.5	257.3
Discontinued operations		27.1
Continuing operations total	**275.4**	**230.2**

Profit for the period

MEUR	Alma Career	Alma Talent	Alma Consumer	Reportable segments total	Non-allocated items and eliminations	Group
Financial year 2021						
EBITDA excluding adjusted items	32.8	24.3	28.6	85.7	-7.9	77.8
Depreciation and impairment	-2.8	-3.7	-4.6	-11.1	-5.6	-16.7
Operating profit excluding adjusted items	30.0	20.6	23.9	74.5	-13.4	61.1
Adjusted items	0.0	0.0	-0.4	-0.4	-3.9	-4.3
Operating profit (loss)	30.0	20.5	23.5	74.1	-17.3	56.8
Share of result of associated companies	1.0	0.0	0.0	1.0	0.0	1.0
Net financial expenses	0.3	-0.7	-0.2	-0.6	-0.9	-1.4
Profit before tax and appropriations	**31.4**	**19.8**	**23.3**	**74.5**	**-18.2**	**56.3**
Income tax				0.0	-12.1	-12.1
Profit for the period, including discontinued operations	**31.4**	**19.8**	**23.3**	**74.5**	**-30.2**	**44.3**
Profit for the period, discontinued operations						**0.0**
Profit for the period, continuing operations						**44.3**

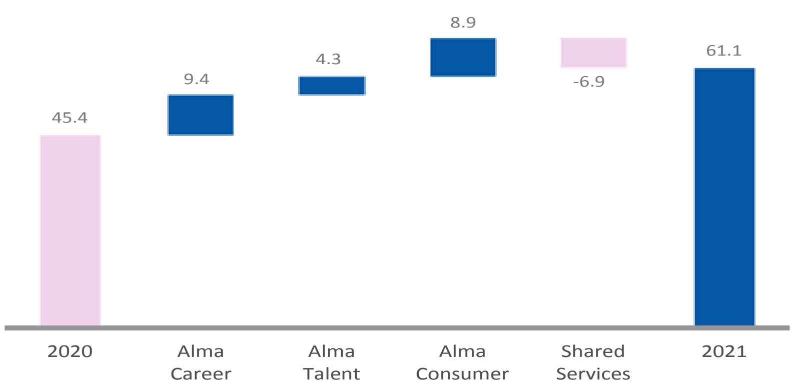
Change in revenue, 2020-2021



Profit for the period

MEUR	Alma Career	Alma Talent	Alma Consumer	Reportable segments total	Discontinued operations	Non-allocated items and eliminations	Group
Financial year 2020							
EBITDA excluding adjusted items	23.9	20.4	17.0	61.4	1.5	-0.5	62.3
Depreciation and impairment	-3.3	-4.2	-2.0	-9.5	0.0	-6.0	-15.5
Operating profit excluding adjusted items	20.6	16.2	15.0	51.9	1.5	-6.5	46.8
Adjusted items	0.8	-3.2	0.1	-2.3	66.7	0.0	64.4
Operating profit (loss)	21.4	13.1	15.1	49.6	68.1	-6.5	111.2
Share of result of associated companies	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net financial expenses	0.1	0.0	0.1	0.2	-0.5	-1.1	-1.4
Profit before tax and appropriations	**21.5**	**13.1**	**15.1**	**49.9**	**67.7**	**-7.6**	**109.9**
Income tax					-1.9	-9.0	-10.9
Profit for the period, including discontinued operations	**21.5**	**13.1**	**15.1**	**49.9**	**65.8**	**-16.6**	**99.1**
Profit for the period, discontinued operations							**65.8**
Profit for the period, continuing operations							**33.3**

Change in adjusted operating profit, 2020-2021



Assets and liabilities

MEUR	Alma Career	Alma Talent	Alma Consumer	Segments, total	Non-allocated items and eliminations	Group
Financial year 2021						
Assets	79.7	113.1	224.1	416.9	93.8	510.7
Investments in associated companies and joint ventures	7.2	0.4	0.0	7.6	0.1	7.7
Assets, total	**86.9**	**113.5**	**224.1**	**424.5**	**93.9**	**518.4**
Liabilities, total	**39.5**	**38.4**	**14.2**	**92.1**	**259.8**	**351.9**
Capital expenditure	3.2	1.0	180.9	185.2	61.9	247.1
Financial year 2020						
Assets	73.4	116.6	42.6	232.7	94.6	327.3
Investments in associated companies and joint ventures	6.6	0.0		6.6		6.6
Assets, total	**80.0**	**116.6**	**42.6**	**239.3**	**94.6**	**333.9**
Liabilities, total	**25.3**	**38.8**	**9.0**	**73.1**	**56.3**	**129.4**
Capital expenditure	8.5	25.4	3.5	37.4	54.1	91.4

Assets not allocated to segments are financial assets and tax receivables.

Liabilities not allocated to segments are financial and tax liabilities.

1.2 Operating income

1.2.1 Revenue

IFRS 15 includes a five-stage framework for the recognition of revenue from contracts with customers. According to IFRS 15, an entity shall recognise revenue at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue can be recognised over time or at a point in time, with the central criterion being the transfer of control.

Alma Media changed its revenue reporting on 1 March 2021, with revenue now being distributed between marketplaces, media and service revenue. These constitute the Alma Media Group's significant revenue streams.

The revenue of marketplaces mainly consists of digital advertising revenue. Revenue from classified digital advertising sales is recognised over time during the term of the advertisement. Revenue from the sales of advertisements with a long contract period (1–12 months) is recognised over the contract period.Advertising revenue in marketplaces and media consists of selling advertising space in the Group's media and services, both online and in print. The performance obligations in marketplaces and media advertising are advertising online and in print publications, such as display advertising, content marketing and partner sales. Digital revenue from marketplaces and media is recognised over time, primarily based on the timing of the advertisement's publication, while revenue from print advertising sales is recognised at a point in time, based on publication dates.

Media content revenue includes fees for content sold by the Group's media. Revenue from media content sales is earned from content sold for both print and digital publications. Under media content revenue, digital services and print products are separate performance obligations, with print revenue recognised at a point in time, on the publication dates, and digital revenue recognised over time, during the term of the agreement, relative to calendar days.

Service sales include the Alma Talent segment's book, event and training business and the sale of information services. The Group also has online services aimed at consumers. Service revenue is recognised over time during the period in which the service is delivered.

Alma Media also engages in business operations where Alma Media acts as an agent for services provided by external partners. In these cases, Alma Media does not have primary responsibility for the fulfilment of the contract. The net amount of consideration is recognised as revenue when the sales transaction occurs. Agency sales represent a small proportion of total revenue.

Transaction prices are list prices or contractual customer-specific prices, less other items that reduce the amount of expected consideration, such as discounts granted. Alma Media's contracts typically do not include variable amounts of consideration where the related uncertainty would only be resolved after the performance obligation has been fulfilled. Due to the nature of Alma Media's products and services, returning them is not possible as a rule. Accordingly, no refund liabilities arise from their sale. When the period between the transfer of the product or service to the customer and the customer paying for it is one year or less, Alma Media applies the practical expedient by which it does not need to recognise a significant financing component nor adjust the transaction price for the effects of the time value of money.

As a rule, the subscriptions associated with content revenue are paid at the start of the subscription period. Marketplace revenue, media advertising revenue and service revenue are paid at the start of the contract period as a rule. Payments received from customers are treated as prepayments on the balance sheet, from where the prepayments are recognised as revenue as the performance obligations are transferred to customers; for example, based on the publication dates of the print products included in subscriptions.

Alma Media has incremental costs of obtaining contracts, such as commissions on the sale of publications. Alma Media applies the practical expedient and does not recognise an asset from the costs incurred to obtain a contract. The costs would be recognised as expenses in one year or less.

2021 MEUR	Alma Career	Alma Talent	Alma Consumer	Segments, total	Non-allocated items and eliminations	Group
Marketplaces	**74.1**	**6.2**	**37.3**	**117.6**	**-1.2**	**116.4**
Media		**53.2**	**47.9**	**101.1**	**0.8**	**101.9**
Content media		33.5	14.7	48.2	0.0	48.2
- of which digital		46.7%	3.4%			33.5%
Advertising media		19.6	33.3	52.9	0.8	53.7
- of which digital		57.4%	88.6%			77.8%
Service revenue	**8.1**	**40.3**	**9.3**	**57.7**	**-0.6**	**57.1**
- of which digital	96.8%	54.7%	98.0%			65.7%
Total	**82.2**	**99.7**	**94.5**	**276.4**	**-0.9**	**275.4**

* Service revenue includes rental income that is not treated in accordance with IFRS 15. The amount of rental income is immaterial with respect to the consolidated financial statements.

2020 MEUR	Alma Career	Alma Talent	Alma Consumer	Segments, total	Discontinued operations	Non-allocated items and eliminations	Group
Marketplaces	**58.1**	**5.5**	**22.7**	**86.2**		**0.4**	**86.7**
Media		**54.4**	**40.7**	**95.1**	**23.8**	**-0.2**	**118.7**
Content media		35.2	15.2	50.4	15.9	0.0	66.2
- of which digital		36.3%	0.2%		16.2%		23.2%
Advertising media		19.3	25.4	44.7	7.9	-0.2	52.4
- of which digital		50.4%	92.2%		13.0%		65.2%
Service revenue	**4.6**	**35.2**	**6.5**	**46.3**	3.3	**2.4**	**51.9**
- of which digital	96.3%	47.2%	98.6%		1.3%		50.2%
Total	**62.6**	**95.1**	**69.9**	**227.7**	**27.1**	**2.5**	**257.3**

* Service revenue includes rental income that is not treated in accordance with IFRS 15. The amount of rental income is immaterial with respect to the consolidated financial statements.

1.2.2 Other operating income

	2021	2020
Gains on sale of non-current assets, continuing operations	0.2	0.9
Proceeds on sale related to incremental acquisition		1.6
Other operating income, continuing operations	1.2	0.8
Other operating income, discontinued operations *		65.9
Total	**1.4**	**69.2**

MEUR

* Other other operating income in 2020 includes the profit recognised on the sale of the regional newspaper business and printing business.

1.3 Operating expenses

1.3.1 Materials and services

MEUR	2021	2020
Purchases during period		3.5
Change in inventories		-0.4
Use of materials and supplies		**3.2**
External services	35.6	41.6
Total	**35.6**	**44.7**
Materials and services, discontinued operations		**12.1**
Materials and services, continuing operations	**35.6**	**32.6**

1.3.2 Research and development expenses

The Group's research and development expenses in 2021 totalled MEUR 4.6 (MEUR 4.6). MEUR 3.6 (MEUR 3.2) was recognised in the income statement and development expenses of MEUR 1.0 (MEUR 1.4) were capitalised on the balance sheet in 2021. There were capitalised research and developments expenses totalling MEUR 2.2 (MEUR 2.0) on the balance sheet on 31 December 2021.

1.3.3 Employee benefits expense

Employee benefits cover short-term employee benefits, other long-term benefits, benefits paid in connection with dismissal and post-employment benefits.

Short-term employee benefits include salaries and benefits in kind, annual holidays and bonuses. Other long-term benefits include, for example, a celebration, holiday or remuneration based on a long period of service. Benefits paid in connection with dismissal are benefits that are paid due to the termination of an employee's contract and not for service in the company.

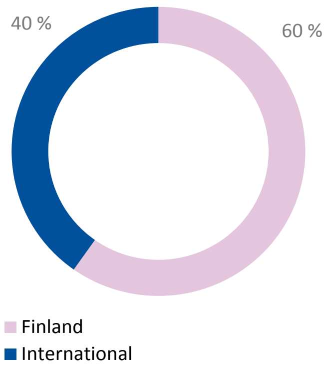
Post-employment benefits comprise pension and benefits to be paid after termination of the employee's contract, such as life insurance and healthcare. These benefits are classified as either defined contribution or defined benefit plans. The Group has both forms of benefit plans. The accounting principles related to pensions are presented in more detail in Note 3.6 Pension obligations.

Past service costs are recognised as expenses through profit or loss at the earlier of the following: when the plan is rearranged or downsized, or a when the entity recognises the related rearrangement expenses or benefits related to the termination of employment.

MEUR	2021	2020
Wages, salaries and fees. continuing operations	84.8	75.1
Wages, salaries and fees, discontinued operations		8.3
Pension costs – defined contribution plans, continuing operations	11.9	9.1
Pension costs – defined contribution plans, discontinued operations		0.7
Share-based payment transaction expense	4.3	0.9
Other employee expenses, continuing operations	8.3	8.2
Other employee expenses, discontinued operations		0.2
Total	**109.2**	**102.5**

Average number of employees, calculated as full-time employees (excl. telemarketers)	2021	2020
Alma Career	594	588
Alma Talent	444	456
Alma Consumer	339	297
Discontinued operations		175
Shared operations	172	156
Total	**1,549**	**1,672**
Telemarketers on average	337	335

Personnel



1.3.4 Other operating expenses

Specification of other operating expenses by category:

MEUR	2021	2020
Information technology and telecommunication	27.2	24.1
Business premises	2.2	2.2
Sales and marketing	11.9	13.8
Administration and experts	8.1	5.9
Other employee costs	4.8	3.8
Other expenses	4.4	2.3
Total	**58.6**	**52.2**
Other operating expenses, continuing operations		**48.7**
Other operating expenses, discontinued operations		**3.5**

1.3.5 Audit expenses

	2021	2020
Companies belonging to the PricewaterhouseCoopers chain		
Audit	232.3	252.7
Reporting and opinions	4.0	1.0
Tax consultation		11.7
Other	127.1	109.4
Total	**363.4**	**374.7**

Non-audit services performed by PricewaterhouseCoopers Oy, EUR 1,000For Alma Media Group companies in the financial period 2021 totalled EUR 127,000 (a total of EUR 121,000 in the financial period 2020).

1.4 Salaries, bonuses and share-based payments paid to management

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.

1.4.1 Salaries and bonuses paid to management

Parent company President and CEO (Kai Telanne)

EUR 1,000	2021	2020
Salaries and other short-term employee benefits	908.4	1,170.1
Post-employment benefits	415.2	447.1
Incentive schemes implemented and paid in the form of shares	944.5	249.7
Total	**2,268.1**	**1,866.9**

The figures in the table are presented on an accrual basis. In 2021, the salary and benefits paid to the President and CEO of the Group totalled EUR 1,410,619 (2020: EUR 2,217,229).

Pension benefits of the President and CEO:
In addition to statutory employment pension security, the President and CEO has a defined contribution group pension benefit. The supplementary pension contribution of the President and CEO's fixed annual salary is 37% of the annual salary, which is calculated by adding a computational share of 50% of the maximum incentive to the fixed annual salary. 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 this case, the pension is determined on the basis of insurance savings adjusted according to the value development of the investment objects.

Notice period of the President and CEO:
The notice period of the President and CEO is six months. An additional contractual compensation equal to 12 months' salary is paid if the employer terminates his contract without the President and CEO 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.

Other members of the Group Executive Team

	2021	2020
Salaries and other short-term employee benefits	2,850.0	2,432.8
Post-employment benefits	840.6	759.9
Incentive schemes implemented and paid in the form of shares	1,782.1	450.9
Total	**5,472.8**	**3,643.6**

The figures in the table are presented on an accrual basis. Other Group management, EUR 1,000in 2021, the salary and benefits paid to the members of the Group Executive Team totalled EUR 3,954,450 (2020: EUR 4,077,914).

Board of Directors of Alma Media Corporation and benefits paid to its members

EUR 1,000	2021	2020
Jorma Ollila, Chairman	78.5	88.0
Petri Niemisvirta, Deputy Chairman	50.2	55.1
Catharina Von Stackelberg-Hammarén, member	39.0	43.0
Peter Immonen, member	40.0	44.5
Esa Lager, member	45.5	49.0
Alexander Lindholm, member	40.0	43.0
Päivi Rekonen, member	4.0	55.5
Total	**297.2**	**378.1**

The figures in the table are presented on an accrual basis.
According to the resolution of the General Meeting, the benefits to the Board members are paid as shares of Alma Media Corporation.

Salaries and benefits to the Board of Directors,
the President and CEO, and other members of the Group Executive Team, total

EUR 1,000	2021	2020
Salaries and other short-term employee benefits	4,055.6	3,981.0
Post-employment benefits	1,255.9	1,207.0
Incentive schemes implemented and paid in the form of shares	2,726.6	700.6
Total	**8,038.1**	**5,888.6**

1.4.2 Share-based payments

Share-based incentive scheme (LTI 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, retain participants and offer them 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 said share investment and the possibility of earning performance-based matching shares.

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 matching share plan that 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 by the terms of the plan for the receipt of the share-based incentive are still satisfied at the time.

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 performance matching plan that 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 LTI 2015 II (2016), LTI 2015 III (2017) and LTI 2015 IV (2018)
The Board of Directors of Alma Media Corporation has decided on the following share-based incentive schemes for the next three years based on the LTI 2015 scheme: LTI 2015 II (2016), LTI 2015 III (2017) and LTI 2015 IV (2018). 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 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, LTI III and LTI IV programmes:

New share-based long-term incentive schemes that started in 2019: LTI 2019
In December 2018, the Board of Directors of Alma Media Corporation decided on changes to the share-based, long-term incentive scheme of the company's top management. At the same time, the Board of Directors decided to establish a new share-based long-term incentive scheme for the other key employees of Alma Media Corporation. The new incentive scheme, LTI 2019, entered into effect from the beginning of 2019.

The Annual General Meeting of Alma Media Corporation held on 29 April 2020 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.

In February 2020, the Board of Directors of Alma Media Corporation decided on the commencement of a new period under the long-term share-based incentive scheme for senior management (LTI 2019 I). The Board of Directors further decided on the commencement of a new period under the performance-based share-based incentive scheme aimed at middle management and selected key employees. The incentive schemes were established and originally announced in December 2018.

In April 2021, the Board of Directors of Alma Media Corporation decided on the commencement of a new period under the long-term share-based incentive scheme for senior management (MSP 2021). The Board of Directors further decided on the commencement of a new period under the performance-based share-based incentive scheme aimed at middle management and selected key employees (PSP 2021). The incentive schemes were established and originally announced in December 2018.

Recognition of share-based incentives

Share-based incentives are recognised in their entirety as equity-settled share-based payment transactions after deducting taxes from the amount payable in shares. The incentives are based on the market price of Alma Media's share on the grant date and recognised as an employee benefit expense over the vesting period with corresponding entries in equity.

Principal terms and conditions of the performance share plan:

Instrument	Matching share plan LTI 2020	Performance matching plan LTI 2020
AGM date/ Date of issuing	18 Dec 2018	18 Dec 2018
Maximum number of shares	390,000	226,000
Dividend adjustment	No	No
Initial allocation date	8 May 2020	8 May 2020
Performance period begins	1 Jan 2020	1 Jan 2020
Performance period ends	31 Dec 2022	31 Dec 2022
Vesting date	28 Feb 2023	28 Feb 2023
Maximum contractual life, years	2.8	2.8
Remaining contractual life, years	1.2	2.2
Maximum number of people entitled to participate	9	49
Payment method	Cash & share	Cash & share

Instrument	Matching share plan LTI 2021	Performance share plan LTI 2021
AGM date/ Date of issuing	18 Dec 2018	18 Dec 2018
Maximum number of shares	450,000	226,000
Dividend adjustment	No	No
Initial allocation date	7 Apr 2021	7 Apr 2021
Performance period begins	1 Jan 2021	1 Jan 2021
Performance period ends	31 Dec 2023	31 Dec 2023
Vesting date	29 Feb 2024	29 Feb 2024
Maximum contractual life, years	3	3
Remaining contractual life, years	2	2
Maximum number of people entitled to participate	9	64
Payment method	Cash & share	Cash & share

Instrument	Performance matching share plan LTI 2015 IV	Matching share plan LTI 2019	Performance share plan LTI 2019
AGM date/ Date of issuing	12 Feb 2015	18 Dec 2018	18 Dec 2018
Maximum number of shares	203,000	310,000	375,000
Dividend adjustment	No	No	No
Initial allocation date	7 May 2018	28 Mar 2019	28 Mar 2019
Performance period begins	1 Jan 2018	1 Jan 2019	1 Jan 2019
Performance period ends	31 Mar 2021	31 Dec 2021	31 Dec 2021
Vesting date	31 Mar 2021	28 Feb 2022	28 Feb 2022
Maximum contractual life, years	3.8	2.9	2.9
Remaining contractual life, years	0.2	0.2	0.2
Maximum number of people entitled to participate	31	35	9
Payment method	Cash & share	Cash & share	Cash & share

Instrument	Performance matching share plan TSR LTI 2015 II	Performance matching share plan LTI 2015 III	Performance matching share plan TSR LTI 2015 IV
AGM date/ Date of issuing	12 Feb 2015	12 Feb 2015	12 Feb 2015
Maximum number of shares	166,000	182,510	203,000
Dividend adjustment	No	No	No
Initial allocation date	17 Mar 2016	30 Jun 2017	7 May 2018
Performance period begins	1 Jan 2016	1 Jan 2017	1 Jan 2018
Performance period ends	31 Mar 2021	31 Mar 2022	31 Mar 2023
Vesting date	31 Mar 2021	31 Mar 2022	31 Mar 2023
Maximum contractual life, years	5.0	4.8	4.8
Remaining contractual life, years		0.2	1.2
Maximum number of people entitled to participate		21	31
Payment method	Cash & share	Cash & share	Cash & share

Measurement inputs for the incentives granted during the reporting period	
Share price at time of granting, EUR	9.26
Share price at end of period, EUR	10.82
Dividend yield assumption, EUR	0.88
Fair value on 31 December 2021, MEUR	3.3

Changes during share plan period 1 January 2021	Matching share plan LTI 2021	Performance share plan LTI 2021	Matching share plan LTI 2020	Performance share plan LTI 2020	Matching share plan LTI 2019
Outstanding at the beginning of the reporting period, pcs			344,316	219,000	375,000
Changes during the period					
Granted during the period	391,500	216,000			
Lost during the period		10,000		16,000	
Earned during the period					
31 December 2021					
Outstanding at the end of the period, pcs	391,500	206,000	344,316	203,000	375,000

Changes during share plan period 1 January 2021	Performance share plan LTI 2019	Performance matching share plan TSR LTI 2015 II	Performance matching share plan TSR LTI 2015 III	Performance matching share plan LTI 2015 IV	Performance matching share plan TSR LTI 2015 IV	Total
Outstanding at the beginning of the reporting period, pcs	228,000	126,000	139,810	148,988	148,988	1,730,102
Changes during the period						
Granted during the period						607,500
Lost during the period	14,000	3,695		2,000	2,000	47,695
Earned during the period		122,305				122,305
31 December 2021						
Outstanding at the end of the period, pcs	214,000		139,810	146,988	146,988	2,167,602

Effect of the share-based incentive programme on the financial year's result and financial position

MEUR	2021	2020
Costs for the financial year, share-based payments	4.2	0.9
Liability arising from share-based payments, 31 December 2021		
Estimate of the total payable future cash component of all current LTI incentive schemes after the financial period	8.0	3.4

2 Tangible and intangible assets and leasing arrangements

2.1 Intangible assets and goodwill

Goodwill created through mergers and acquisitions is recorded at the amount by which the sum of the purchase price, the share of the non-controlling interest in the acquired entity and the purchaser's previously held share in the entity exceed the fair value of the net assets acquired. Goodwill is applied to cash-generating units and tested on the transition date and thereafter annually for impairment. Goodwill is measured at the original acquisition cost less impairment losses.

Research costs are entered as an expense in the period in which they arise. Development costs arising from the development of new or significantly improved products are capitalised as intangible assets when the costs of the development stage can be reliably determined, the product is technically feasible and economically viable, the product is expected to produce an economic benefit and the Group has the intention and the required resources to complete the development effort. Capitalised development costs include the costs of material, labour and testing as well as capitalised borrowing costs, if any, that directly arise from the process of making the product complete for its intended purpose. Development costs that have previously been recognised as expenses will not be capitalised at a later date.

Patents, customer agreements, copyright and software licences with a finite useful life are shown in the balance sheet and expensed on a straight-line basis in the profit or loss during their useful lives. No depreciation is entered on intangible assets with an indefinite useful life; instead, these are tested annually for impairment. In Alma Media, intangible assets with an indefinite useful life are trademarks measured at fair value at the time of acquisition.

The useful lives of intangible assets are 3–10 years

MEUR	Intangible rights	Other intangible assets	Advances, intangible	Goodwill	Total
Financial year 2021					
Acquisition cost 1 Jan	**122.7**	**1.1**	**1.1**	**152.3**	**277.2**
Increases	0.1	1.6	1.9	0.0	3.6
Acquisitions of business operations	41.0	0.0	0.0	142.6	183.6
Decreases	-6.6	-0.9	0.0	0.0	-7.5
Exchange differences	1.8	0.0	0.0	1.3	3.2
Transfers between items	0.9	0.0	-0.9	0.0	0.0
Acquisition cost 31 Dec	**159.9**	**1.8**	**2.2**	**296.2**	**460.1**
Accumulated depreciation, amortisation and impairment 1 Jan	**69.3**	**0.6**	**0.0**	**1.7**	**71.5**
Accumulated depreciation in decreases and transfers	-5.4	-0.9	0.0	0.0	-6.3
Depreciation for the financial year	7.3	1.3	0.0	0.0	8.6
Exchange differences	1.2	0.0	0.0	0.0	1.2
Accumulated depreciation, amortisation and impairments 31 Dec	**72.4**	**1.0**	**0.0**	**1.7**	**75.1**
Book value 1 Jan	**53.6**	**0.4**	**1.1**	**150.7**	**205.8**
Book value 31 Dec	**87.7**	**0.7**	**2.2**	**294.5**	**385.1**

MEUR	Intangible rights	Other intangible assets	Advances, intangible	Goodwill	Total
Financial year 2020					
Acquisition cost 1 Jan	**120.2**	**1.8**	**0.8**	**148.7**	**271.5**
Increases	0.6	0.0	1.2		1.8
Acquisitions of business operations	10.8	0.4	0.0	26.5	37.7
Decreases	-8.6	-1.1	0.0	-22.1	-31.8
Exchange differences	-1.2	0.0	0.0	-0.8	-2.0
Transfers between items	1.0	0.0	-1.0	0.0	0.0
Acquisition cost 31 Dec	**122.7**	**1.1**	**1.1**	**152.3**	**277.2**
Accumulated depreciation, amortisation and impairment 1 Jan	**66.2**	**1.6**	**0.0**	**6.7**	**74.5**
Accumulated depreciation in decreases and transfers	-3.7	-1.1	0.0	-5.0	-9.8
Depreciation for the financial year	7.2	0.1	0.0	0.0	7.3
Impairment	0.3	0.0	0.0	0.0	0.3
Exchange differences	-0.7	0.0	0.0	0.0	-0.8
Accumulated depreciation, amortisation and impairments 31 Dec	**69.3**	**0.6**	**0.0**	**1.7**	**71.5**
Book value 1 Jan	**54.0**	**0.2**	**0.8**	**142.0**	**197.0**
Book value 31 Dec	**53.6**	**0.4**	**1.1**	**150.7**	**205.8**

Allocation of intangibles with indefinite lives to cash-generating units

The book value of intangible assets includes intangible rights totalling MEUR 59.4 which are not depreciated; instead, these rights are tested annually for impairment. In Alma Media, intangible assets with an indefinite useful life are trademarks measured at fair value at the time of acquisition. These non-depreciated intangible rights are allocated to the cash-generating units as follows:

MEUR	2021	2020
Alma Career		
Recruitment	15.9	15.0
Alma Career total	**15.9**	**15.0**
Alma Talent		
Alma Talent Finland	16.5	16.5
Alma Talent Sweden	0.3	0.3
Alma Talent total	**16.7**	**16.8**
Alma Consumer	**26.8**	**5.3**
Assets with indefinite lives, total	**59.4**	**37.0**

Allocation of goodwill to business operations

MEUR	2021	2020
A significant amount of goodwill has been allocated to the following cash-generating units		
Alma Career		
Recruitment	47.9	44.9
Alma Career total	**47.9**	**44.9**
Alma Talent		
Alma Talent Media Finland	70.8	70.8
Alma Talent Media Sweden	5.9	5.9
Alma Talent total	**76.7**	**76.7**
Alma Consumer	**169.8**	**28.9**
Non-allocated goodwill	**0.1**	**0.1**
Total goodwill	**294.5**	**150.7**

Goodwill, intangible rights with indefinite useful lives and other long-term assets are tested at the level of cash generating units. In testing for impairment, the recoverable amount is the value in use.

Impairment testing of goodwill and intangibles with indefinite lives

ⓘ On each balance sheet date, the Group assesses the carrying amounts of its assets to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. In addition, the recoverable amounts are assessed annually of goodwill, capitalised development costs for projects in progress and intangible assets with an indefinite useful life. These are assessed regardless of whether or not indications of impairment exist. The recoverable amounts of intangible and tangible assets are determined as the higher of the fair value of the asset less cost to sell, or the value in use. The value in use refers to the estimated future net cash flows obtainable from the asset or cash-generating unit, discounted to their current value. Impairment losses are recognised when the carrying amount of the asset or cash-generating unit exceeds the recoverable amount. Impairment losses are recognised in the profit or loss. An impairment loss may be reversed if circumstances regarding the intangible or tangible assets in question change. Impairment losses recognised on goodwill are never reversed.

Following the model used before, estimated cash flows determined in the test are based on the Group's strategic forecasts for the following three years confirmed by the Board of Directors and business units' management. The years following this period are estimated by the management, taking the business cycle into account. The calculations of value in use are based on a period of 5 years. The cash flow of the terminal year is normalised as an average of the forecast period. In addition to general economic factors, the main assumptions and variables used when determining cash flows are the forecast growth of media sales in different market segments, the unit-specific average cost of capital (discount rate) and the estimated development of revenue from marketplaces. The growth rate assumptions vary in different market segments and in different product categories. When evaluating growth, past events in the Group and the impact of business cycles are taken into account.

The Group's business, advertising sales in particular, is very dependent on business cycles. A significant portion of the Group's revenue is generated from advertising sales. Advertising sales correlate with changes in GDP, and changes in advertising sales are largely intensified at cyclical turns. Investments in advertising have been low in Finland in relation to the level of GDP in 2012–2021, even in international comparison. Alma Media estimates that advertising investments will grow in the domestic market. The growth assumptions for revenue and costs used in the value in use calculations are presented in the table below.

According to its strategy, the Group has invested in the development of digital products and services. Digital services account for nearly 80% of the Group's revenue. In digital services, the realised changes are larger and the future growth assumptions higher than in average advertising investments.

The discount rate used in impairment testing has been determined using geographical (country) and business-specific weighted average cost of capital (WACC) separately for the media business and the digital business. The discount rate is determined net of taxes. The WACC consists of the required return on equity and the required return on debt after corporate taxes (net of taxes as adjusted for final presentation purposes). Following capital market theory, the generally accepted method of estimating the cost of equity is the Capital Asset Pricing Model (CAPM). Following the CAPM, the rate of return on equity can be constructed from the risk free interest rate and a risk premium. Elements of WACC/CAPM have been determined for impairment testing by an independent third party analyst. Even if the discount rate assumption were to be updated to reflect the increase in market interest rates seen in late 2021 and early 2022, the discount rate used in impairment testing, which was based on the market situation in November 2021, would not change to a significant extent.

The calculations take into account the risk-adjusted WACC, in which the beta for the asset item is based on the median of the peer group and the capital structure (D/EV) is based on Alma Media's gearing ratio on the valuation date. The calculations also apply the small enterprise risk premium, approximately 2.3%, which is based on Alma Media's market capitalisation on the valuation date as well as the statistical analysis of small enterprise risk premiums conducted by Duff & Phelps.

Changes from 2020:

Alma Media revised its segment structure on 1 March 2021. As part of the transition to a new segment structure, the Alma Mediapartners services that were previously reported as part of the Alma Markets business segment are now reported under the Alma Consumer business segment. In connection with the changes to the segments, the name Alma Markets was changed to Alma Career. No changes were made to the Alma Talent segment's tested units.

On 1 April 2021, Alma Media acquired the entire share capital of Nettix Oy. Nettix complements the Alma Consumer segment's marketplaces business in Finland, especially in automotive and mobility-related services, presenting opportunities for cross-selling and additional sales and the sharing of best practices between the services. It also opens up new business opportunities in rental and leasing activities, for example. In 2021, the acquired business generated MEUR 21.8 in revenue with an EBITDA of MEUR 10.7 and operating profit of MEUR 6.8. The enterprise value of the acquired business was MEUR 171. The Group recognised MEUR 139 in goodwill, MEUR 17 in customer agreements and MEUR 21 in brands.

The new businesses acquired in the Alma Career and Alma Consumer segments are included in the tested businesses.

Discount rates used in impairment testing

Financial year 2021		Revenue growth assumption, %	Expense growth assumption, %	WACC before taxes, %	Business
Alma Career					
Recruitment business	Finland, the Czech Republic, the Baltic countries, Slovakia	7.9	8.3	9.7	Digital
Alma Talent					
Alma Talent Finland	Finland	2.2	2.5	8.3	Media, digital, services
Alma Talent Sweden	Sweden	7.1	10.4	8.4	Digital, services
Alma Consumer	Finland	5.8	5.1	8.3	Media, digital

Financial year 2020		Revenue growth assumption, %	Expense growth assumption, %	WACC before taxes, %	Business
Alma Career					
Recruitment business	Finland, the Czech Republic, the Baltic countries, Slovakia	4.1	2.3	11.4	Digital
Alma Talent					
Alma Talent Finland	Finland	1.7	1.7	9.3	Media, digital, services
Alma Talent Sweden	Sweden	2.3	4.3	9.3	Media, digital, services
Alma Consumer	Finland	2.2	2.3	8.3	Media, digital

Impairment losses and their allocation

During the past financial year, the Group recognised MEUR 0.2 in impairment losses, which were allocated to other investments. In the management's view, there are no indications of impairment with regard to the units of Alma Media Group.

The Group did not recognise any impairment losses in the previous financial year.

Sensitivity analyses of impairment testing

Goodwill allocated to new business areas, as well as goodwill arising from recent acquisitions, is more sensitive to impairment testing and, therefore, more likely to be subject to impairment loss when the above main assumptions change.

In connection with the sensitivity analysis, the impact of an increase in the discount rate (at most 3%), a decrease in marketplaces sales (at most 6%) and a decrease in media sales (at most 6%) on estimated cash flows has been estimated. The sensitivity analysis of marketplaces sales and media sales is based on the management view of the future development on the balance sheet date.

The aggregate book values of the Alma Career segment amounted to approximately 21% of the current value of the estimated recoverable amount at the time of testing. The impact of the terminal on the value in use was 62% in the calculations. Based on the analysis carried out by the management, the estimated net present value (NPV) of future cash flows has increased by a total of MEUR 90 compared to 2020. This increase is particularly attributable to the strong recovery of demand in the recruitment business after a substantial decline caused by the COVID-19 pandemic in the previous financial year. The WACC discount rate also decreased from the previous year. The profit performance of the recruitment business is expected to continue to improve in the years to come. The book value of the assets of the Alma Career segment on the reporting date was MEUR 69. Based on the sensitivity analysis performed, the Alma Career business does not involve a significant risk of future impairment.

The aggregate book values of the Alma Talent segment amounted to approximately 48% of the current value of the estimated recoverable amount at the time of testing. The impact of the terminal on the value in use was 67% in the calculations. Based on the analysis carried out by the management, the net present value (NPV) of future cash flows has risen by a total of MEUR 23 compared to 2020. This increase is based on the improved profitability of the business as well as acquisitions. The increase is also attributable to the lower discount rate in both Finland and Sweden. Profit performance is expected to continue to improve in the years to come. Based on the sensitivity analysis performed, the Alma Talent business does not include a significant risk of future impairment.

The aggregate book values of the Alma Consumer segment were approximately 68% of the current value of the estimated recoverable amount at the time of testing. The impact of the terminal on the value in use was approximately 67% in the calculations. Based on the analysis carried out by the management, the estimated net present value (NPV) of future cash flows has increased by a total of MEUR 158 compared to 2020. Profitability improved significantly in 2021, especially in the media and marketplaces businesses. The increase is also attributable to acquisitions and the lower discount rate. Profit performance is expected to continue to improve in the years to come. On the basis of the sensitivity analysis, the Alma Consumer segment's business is subject to an impairment risk of MEUR 3 if WACC increases permanently by 3%.

The balance sheet value of associated companies is assessed in relation to the cash flow obtained from the companies (dividend income), in comparison to their net asset value, or through other assessment of the company's profit performance with respect to future cash flow estimates. Based on the analysis performed, the shares in associated companies do not include a risk of impairment.

2.2 Property, plant and equipment

Property, plant and equipment are measured at cost less depreciation, amortisation and impairment losses. The acquisition cost includes the costs arising directly from the acquisition of a tangible asset. In the event that a tangible asset comprises several components with different useful lives, each component will be recognised as a separate asset.

Straight line depreciation is entered on the assets over their estimated useful lives. Depreciation is not entered on land. The estimated useful lives are:

Buildings	30–40 years
Structures	5 years
Machinery and equipment	3–15 years

The residual value and useful life of an asset are reviewed, at a minimum, at the end of each financial period and adjusted, where necessary, to reflect the changes in their expected useful lives.

When an item of property, plant and equipment is replaced, the costs related to this new item are capitalised. The same procedure is applied in the case of major inspection or service operations. Other costs arising later are capitalised only when they give the company added economic benefit from the asset. All other expenses, such as normal service and repair procedures, are entered as an expense in the profit or loss as they arise.

Gains and losses arising from the decommissioning and sale of tangible assets are recognised through profit and loss under other operating income and expenses. The gains or losses on sale are defined as the difference between the selling price and the remaining acquisition cost.

MEUR	Buildings and structures	Machinery and equipment	Other tangible assets	Advance payments and purchases in progress	Total
Financial year 2021					
Acquisition cost 1 Jan	57.3	2.5	1.3	0.0	61.3
Increases	1.1	0.3	0.1	0.4	1.9
Decreases	-0.4	-0.3	0.0	0.0	-0.7
Exchange differences	0.0	0.1	0.0	0.0	0.1
Transfers between items	0.0	0.3	0.0	-0.4	-0.1
Acquisition cost 31 Dec	**58.0**	**2.8**	**1.4**	**0.1**	**62.4**
Accumulated depreciation, amortisation and impairment 1 Jan	20.2	0.3	0.1		20.7
Accumulated depreciation in decreases	-1.4	-0.3	0.0		-1.7
Depreciation for the financial year	6.2	1.8	0.1		8.1
Exchange differences	0.0	0.1	0.0		0.1
Accumulated depreciation, amortisation and impairments 31 Dec	25.0	1.8	0.2		27.1
Book value 1 Jan	**37.1**	**2.1**	**1.2**	**0.0**	**40.6**
Book value 31 Dec	**33.0**	**1.0**	**1.1**	**0.1**	**35.2**

MEUR	Land and water areas	Buildings and structures	Machinery and equipment	Other tangible assets	Advance payments and purchases in progress	Total
Financial year 2020						
Acquisition cost 1 Jan	**0.1**	**79.7**	**52.5**	**1.6**	**0.0**	**133.9**
Increases		0.9	0.1	0.2	0.2	1.4
Decreases	-0.1	-23.3	-50.3	-0.5	0.0	-74.3
Exchange differences		0.0	0.0	0.0	0.0	0.0
Transfers between items			0.0		0.1	
Acquisition cost 31 Dec	**0.0**	**57.3**	**2.5**	**1.3**	**0.0**	**61.3**
Accumulated depreciation, amortisation and impairment 1 Jan		**21.6**	**21.3**	**0.4**		**43.3**
Accumulated depreciation in decreases		-8.4	-22.1	-0.3	0.0	-30.8
Depreciation for the financial year		6.9	1.1	0.1	0.0	8.1
Exchange differences		0.0	0.0	0.0	0.0	0.0
Accumulated depreciation, amortisation and impairments 31 Dec		**20.2**	**0.3**	**0.1**	**0.0**	**20.7**
Book value 1 Jan	0.1	58.0	31.2	1.3	0.0	90.6
Book value 31 Dec		**37.1**	**2.1**	**1.2**	**0.0**	**40.6**

Property, plant and equipment include assets purchased through finance leases as follows:

MEUR	Buildings	Machinery and equipment	Total
Financial year 2021			
Acquisition cost 1 Jan	**56.1**	**1.4**	**57.5**
Increases	0.9	1.2	2.1
Decreases			
Acquisition cost 31 Dec	**57.0**	**2.6**	**59.6**
Accumulated depreciation 1 Jan	**19.1**	**0.2**	**19.3**
Accumulated depreciation in decreases			
Depreciation for the financial year	6.2	1.2	7.4
Accumulated depreciation 31 Dec	**25.3**	**1.4**	**26.7**
Book value 31 Dec	**31.7**	**1.2**	**32.9**
Financial year 2020			
Acquisition cost 1 Jan	**76.5**	**47.4**	**124.0**
Increases	0.9	0.1	1.0
Decreases	-21.3	-46.1	-67.4
Acquisition cost 31 Dec	**56.1**	**1.4**	**57.5**
Accumulated depreciation 1 Jan	**18.6**	**19.6**	**38.2**
Accumulated depreciation in decreases	-7.0	-19.9	-26.9
Depreciation for the financial year	7.5	0.6	8.1
Accumulated depreciation 31 Dec	**19.1**	**0.2**	**19.3**
Book value 31 Dec	**37.1**	**1.2**	**38.2**

3. Capital structure and financial expenses

3.1 Financial income and expenses

Financial income presented by category of financial instrument

MEUR	2021	2020
Interest income on held to maturity investments, continuing operations	0.1	0.1
Interest income on held to maturity investments, discontinued operations		0.0
Fair value gain on items recognised at fair value through profit or loss		
Change in the fair value of contingent consideration liabilities	0.2	
Changes in value of non-current investments	0.1	
Change in the fair value of interest rate and foreign currency derivatives	0.4	0.1
Dividend income from assets measured at fair value through other comprehensive income	0.2	0.2
Total	**0.9**	**0.4**

Financial expenses by category of financial instrument

MEUR	2021	2020
Interest expenses from interest-bearing debts measured at amortised cost, continuing operations	1.1	0.3
Interest expenses from leases recognised on the balance sheet and measured at amortised cost, continuing operations	0.5	0.6
Interest expenses from leases recognised on the balance sheet and measured at amortised cost, discontinued operations		0.5
Foreign exchange gains and losses (loans and receivables), continuing operations	0.1	0.3
Other financial expenses	0.6	0.1
Total	**2.3**	**1.8**

3.2 Financial assets

The Group's financial assets are measured and classified according to IFRS 9 as follows: measured at amortised cost, measured at fair value through comprehensive income, and measured at fair value through profit or loss. The classification is made on initial acquisition and it is based on the objective of the business model and the contractual cash flow characteristics of the financial assets.

Financial assets measured at fair value through profit or loss are contingent considerations from the sales of the business operations and derivatives. Contingent considerations arise in sales of business operations. The company employs derivative instruments to hedge against changes in electricity prices and interest rate derivatives to hedge against changes in interest rates of financial liabilities. Contingent considerations and derivatives are measured at fair value as they arise and remeasured on the balance sheet date. Changes in fair value of the contingent considerations are recognised in the profit or loss. Changes in the fair value of electricity derivatives are recognised through profit or loss in other operating expenses and changes in the fair value of interest rate derivatives are recognised through profit or loss in financial items.

The measurement of contingent considerations and liabilities is based on the discounted values of estimated future cash flows. The measurement is conducted on each reporting date based on the terms of consideration agreements. The management estimates whether the terms are met on each reporting date.

Financial assets measured at amortised cost include trade receivables and other receivables. Previously, under IAS 39, these items were included under loans and other receivables. Impairment on trade receivables is recognised based on expected credit losses using the simplified approach described in Note 3.7.2. Trade receivables and contract assets are written off when the Group has no reasonable expectations of recovering the contractual cash flows. Indications that recovering the contractual cash flows cannot be reasonable expected to occur include a debtor experiencing considerable financial difficulties, the probability of bankruptcy, the failure to make payments or a payment being delayed by more than 180 days. Impairment losses recognised on trade receivables and contract assets are presented under other operating expenses in the income statement.

The Group classifies unlisted shares as financial assets measured at fair value through comprehensive income. Gains or losses arising from fair value changes are recognised in other comprehensive income, and they are not classified as measured through profit or loss when the shares are sold. Dividends received from shares are recognised in financial income when the right to the dividend is established. Previously, under IAS 39, shares were classified as investments held for sale, measured at fair value and changes in fair value were recognised through other comprehensive income. Accrued changes in fair value were transferred from shareholders' equity to profit or loss as adjustments arising from reclassification when the asset was sold or when its value had decreased.

Cash and cash equivalents consist of cash, demand and time deposits, and other short-term highly liquid investments. The Group has assessed that there are no material expected credit losses associated with cash and cash equivalents.

The transaction date is generally used when recognising financial assets. Financial assets are derecognised from the balance sheet when the Group has lost the contractual right to the cash flows or when the Group has transferred a substantial portion of the risks and income to an external party.

3.2.1 Other financial assets

MEUR	Balance sheet values 2021	Balance sheet values 2020
Non-current financial assets		
Available-for-sale financial assets		
Unquoted share investments, assets classified as held for sale	3.6	3.9
Financial assets, total	**3.6**	**3.9**
Current financial assets		
Investments held to maturity		
Interest rate derivatives	0.2	
Total	**0.2**	
Financial assets, total	**3.8**	**3.9**

Unquoted share investments are presented in the following table:

MEUR	2021	2020
At beginning of period	3.9	3.4
Other increases	0.6	0.7
Decreases	0.9	0.2
At end of period, continuing operations	**3.6**	**3.9**

3.2.2 Cash and cash equivalents

MEUR	2021	2020
Cash and bank accounts	51.9	48.0
Total	**51.9**	**48.0**

3.3 Financial liabilities

The determination of the fair value of liabilities related to contingent considerations arising from business combinations are based on the management's estimate. The key variables in the change in fair value of contingent considerations are estimates of future operating profit. Contingent liabilities arising from acquisitions are classified as financial liabilities through profit or loss. They are recognised at fair value in the balance sheet and the change in fair value is recognised in the financial items through profit or loss.

Other financial liabilities are initially recognised in the balance sheet at fair value. Later other financial liabilities are measured at amortised cost. Financial liabilities are included in current and long-term liabilities and can be interest-bearing or non-interest bearing.

Costs arising from interest-bearing liabilities are expensed in the period in which they arise. The Group has not capitalised its borrowing costs because the Group does not incur borrowing costs on the purchase, building or manufacturing of an asset in the manner specified in IAS 23.

The Group leases various offices, warehouses, equipment and vehicles. Rental contracts are typically made for fixed periods of 6 months to 15 years, but may have extension options as described below.

Contracts may include both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Leases applying to tangible assets in which the Group holds a significant share of the risks and rewards incidental to their ownership are recognised as a right-of-use assets and a corresponding liability when the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:
- fixed payments
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date

The lease payments are discounted using the interest rate implicit in the lease or the lessee's incremental borrowing rate.

The incremental borrowing rate is the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. Alma Media has defined its incremental borrowing rate as 1.5% based on recently acquired external financing.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of the lease liability. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations.

Most extension options in offices and vehicles leases have not been included in the lease liability, because the Group could replace the assets without significant cost or business disruption. Alma Media has leases for which the lease term has been defined as valid until further notice. For these leases, the extension option has been defined as three years.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

The concepts of agreements processed as off-balance sheet liabilities and the concepts used in IFRS 16 are somewhat different from each other, which is why the number of agreements recognised on the balance sheet may differ from the number of off-balance sheet liabilities.

The lease contracts recognised on the balance sheet are mainly for business premises and cars.Leases for ICT equipment, on the other hand, are treated as off-balance sheet obligations, unlike previously.

The table describes the Group's non-current and current financial liabilities.

MEUR	2021	2020
FINANCIAL LIABILITIES		
Non-current financial liabilities		
Financial liabilities measured at amortised cost		
Non-current lease liabilities	26.8	31.9
Non-current loans from credit institutions	200.0	
Liabilities recognised at fair value through profit or loss		
Contingent consideration liabilities arising from the acquisition of business operations	16.3	13.6
Other liabilities	0.0	0.0
Total	**243.1**	**45.5**
Current financial liabilities		
Based on amortised cost		
Lease liabilities	7.0	7.0
Other interest-bearing liabilities	0.0	
Liabilities recognised at fair value through profit or loss	0.8	2.8
Foreign currency derivatives	0.3	0.0
Contingent consideration liabilities arising from the acquisition of business operations	0.5	2.7
Total	**7.8**	**9.8**
Financial liabilities total	**250.8**	**55.3**

The Group's financial liabilities are denominated in euro and carry a variable interest rate. At the end of 2021, the Group's interest-bearing liabilities consisted of a Term Loan and lease liabilities. The hedging of the interest rate risk is described in more detail in Note 3.8 Financial risks.

The average interest rate of the Group's financial liabilities in 2021 was 1.2% (2.1% in 2020).

Reconciliation of net debt

MEUR	Cash and cash equiva-lents	Lease liabilities within one year	Lease liabilities after one year	Loans within one year	Loans after one year	Total
Net debt 1 Jan 2021	**48.0**	**7.0**	**31.9**		**0.0**	**-9.1**
Cash flows	4.1	-7.5			200	188.3
Acquisitions – lease liabilities and incentives						
Increase in IFRS 16 lease liability			2.0			2.0
Exchange rate adjustments						
Other non-cash changes		7.5	-7.5			
Net debt 31 Dec 2021	**51.9**	**7.0**	**26.8**		**200.0**	**181.8**
Net debt 1 Jan 2020	**48.4**	**7.4**	**36.9**			**-4.1**
Cash flows	-0.4	-7.4				-7.0
Acquisitions – lease liabilities and incentives						
Increase in IFRS 16 lease liability			2.0			2.0
Exchange rate adjustments						
Other non-cash changes		7.0	-7.0			
Net debt 31 Dec 2020	**48.0**	**7.0**	**31.9**			**-9.1**

The Group has categorised items recognised at fair value through profit or loss according to the following hierarchy of fair values:

MEUR	2021	2020
Level 2		
Foreign currency derivative	-0.3	0.0
Interest rate derivatives	0.2	
Level 3		
Contingent consideration liabilities arising from the acquisition of business operations	16.8	16.3
Shares measured at fair value through comprehensive income	3.6	3.9

Level 1 includes the quoted (unadjusted) prices of identical liabilities in active markets.
Level 2 instruments' fair values are, to a significant degree, based on inputs other than the quoted prices included in Level 1, but nevertheless on data that can be either directly or indirectly verified for the asset or liability in question.
Level 3 includes inputs concerning liabilities that are not based on observable market data (unobservable inputs).

No transfers between the fair value hierarchy levels have taken place during the ended financial period and the previous financial period.

The contingent consideration liabilities arose from acquisitions of business operations and are based on the acquired businesses' result in 2020–2025. Depending on individual agreements, the actual total amount of the contingent consideration liabilities may range from MEUR 0 to MEUR 26. Based on the best available information, MEUR 16.8 in liabilities has been recognised in the financial statements dated 31 December 2021 (MEUR 16.3 on 31 December 2020). The consideration agreements include one consideration liability with an unlimited maximum amount based on the EBITDA of the acquired business in the financial year 2022, multiplied by a factor specified in the purchase agreement.

The book values of financial liabilities correspond to their fair values. The table below separately describes the fair values of derivative contracts and the value of the underlying instruments.

Derivative contracts

MEUR	2021	2020
Commodity derivatives (electricity forwards)		
Fair value		0.0
Value of underlying instruments		0.1
Foreign currency derivatives		
Fair value	-0.3	0.0
Value of underlying instruments	11.9	6.0
Interest rate derivatives		
Fair value	0.2	
Value of underlying instruments	50.0	

The fair values of forward exchange contracts are determined using the market prices for contracts of similar duration on the balance sheet date. The fair values of interest rate swaps have been determined using a method based on the present value of future cash flows, supported by market interest rates and other market information on the balance sheet date. The fair values correspond to the prices the Group would pay or receive in an orderly transaction for the derivative contract in the prevailing market conditions on the balance sheet date.

The maturity distribution of financial liabilities is described in more detail in Note 3.8. Financial risks

Maturities of lease liabilities

MEUR	2021	2020
Lease liabilities – total minimum lease payments		
2021		7.5
2022	7.4	6.9
2023	6.6	6.1
2024	6.0	5.6
2025	5.4	5.3
2026	5.4	
Later	4.5	9.8
Total	**35.2**	**41.1**
Lease liabilities – present value of minimum lease payments		
2021		7.3
2022	7.2	6.7
2023	6.3	5.8
2024	5.7	5.1
2025	5.1	4.9
2026	5.0	
Later	4.3	9.1
Total	**33.7**	**38.9**
Financial expenses accruing in the future	**1.5**	**2.2**

3.4 Other leases

ⓘ Short-term leases with a term of less than 12 months and leases of low value, such as leases for ICT equipment, are treated as off-balance sheet liabilities.

When the Group is the lessor, lease income is entered in the profit or loss on a straight-line basis over the lease term.

The Group as lessee

Minimum rental payments receivable based on other non-cancellable leases:

MEUR	2021	2020
Within one year	0.4	0.3
Within 1–5 years	0.5	0.4
After 5 years	0.0	
Total	**0.9**	**0.7**

The Group as lessor

Minimum rental payments receivable based on other non-cancellable leases

MEUR	2021	2020
Within one year	0.8	0.8
Within 1–5 years	0.1	0.9
Total	**0.9**	**1.7**

3.5 Commitments and contingencies

MEUR	2021	2020
Collateral provided on behalf of associated companies		
Other commitments		0.1
Total		**0.1**

3.6 Pension obligations

The Group has both defined contribution pension plans and defined benefit pension plans.

The defined benefit pension plans comprise the Group's old supplementary pension plans for personnel, which have already been discontinued and closed. The benefits associated with them include both supplementary pension benefits and death benefits. The Group's defined benefit pension plans include both funded and unfunded pension plans. The unfunded pension plans are direct supplementary pension obligations, primarily for old employees who have already retired. The new supplementary pension benefits granted by the Group are defined contribution based pension plans.

Obligations arising from defined benefit plans are calculated for each arrangement separately using the Projected Unit Credit Method. Pension costs are recognised as expenses over the beneficiaries' period of employment in the Group based on calculations made by authorised actuaries. The discount rate used in calculating the present value of the pension obligation is based on market yields on high quality corporate bonds issued by the company and, if this data is not available, on yields of government bonds. The maturity of corporate and government bonds and corresponds to a reasonable extent with the maturity of the pension obligation. The pension plan assets measured at fair value on the balance sheet date are deducted from the present value of the pension obligation to be recognised in the balance sheet. The net liabilities (or assets) associated with the defined benefit pension plan are recorded on the balance sheet.

Service costs for the period (pension costs) and the net interest on the net liabilities associated with the defined benefit plan are recognised through profit or loss and presented under employee benefit expenses. Items (such as actuarial gains and losses and return on funded defined benefit plan assets) arising from the redefinition of the net liabilities (or assets) associated with the defined benefit plan are recognised in other comprehensive income in the period in which they arise.

Present value of obligations and fair value of assets

MEUR	2021	2020
Present value of unfunded obligations	0.7	0.7
Present value of funded obligations	0.4	0.4
Fair value of assets	-0.3	-0.3
Pension liability	**0.8**	**0.7**

The defined benefit pension obligation on the balance sheet is determined as follows:

MEUR	31.12.2021	31.12.2020
Present value of obligations at start of period	1.1	5.5
Divestments		-3.7
Service cost during period	0.0	0.0
Interest cost	0.0	
Actuarial gains and losses	0.2	-0.5
Payments of defined benefit obligations	-0.1	-0.3
Present value of funded obligations at end of period	**1.1**	**1.1**
Fair value of plan assets at start of period	0.3	4.3
Divestments		-3.5
Interest income	0.0	
Actuarial gains and losses	0.0	-0.3
Restructuring of contracts	0.0	
Incentive payments paid		0.1
Payments of defined benefit obligations	0.0	-0.2
Fair value of plan assets at end of period	**0.3**	**0.3**
Defined benefit pension liabilities	**0.8**	**0.7**
Net pension liability		
Pension liability	0.8	0.7
Pension asset		0.0
Net pension liability	**0.8**	**0.7**

The plan assets are invested primarily in fixed income or share-based instruments, and they have an aggregate expected annual return of 3.0%. A more detailed specification of the plan assets is not available. The plan assets are considered to be included in the payment made to the insurance company. The assets are the insurance company's responsibility and part of the insurance company's investment assets. Accordingly, no specification of the assets can be presented.

The defined benefit pension expense in the income statement is determined as follows

MEUR	2021	2020
Service cost during period	0.0	0.0
Interest cost	0.0	
Interest income	0.0	
Actuarial gains and losses and adjustments	0.2	-0.2
Total	**0.2**	**-0.2**

Changes in liabilities shown on balance sheet

MEUR	2021	2020
At beginning of period	0.7	1.2
Divestments	0.0	-0.2
Incentive payments paid		-0.1
Payments of defined benefit obligations	-0.1	
Pension expense in income statement	0.0	0.0
Comprehensive income for the period	0.2	-0.2
Defined benefit pension liabilities on the balance sheet	**0.8**	**0.7**

A similar investment is expected to be made in the plan in 2022 as in 2021.

Sensitivity analysis of the pension plan

MEUR	Present value of pension obligation	Change in present value of pension obligation, %
Change of +0.5%-p in the discount rate	1.1	-14.9
Change of +0.5%-p in the salary increase assumption	1.2	187.1
Change of +0.5%-p in the pension increase rate	1.2	7.5

The sensitivity analysis uses the same methods as the calculation of the pension obligation. Sensitivity is calculated for changes in the discount rate, the salary increase assumption, pension increases and the insurance company's bonus index. Sensitivity has been calculated by changing one parameter at a time.

Actuarial assumptions used

%	2021	2020
Discount rate	0.3	0.5
Future salary increase assumption	2.9	2.3
Inflation assumption	1.7	1.1
Future increase in pension benefit	2.0	1.4

The duration of the pension plan is 7–9 years. The duration was calculated based on a discount rate of 0.3% (0.5%).

Defined benefit plans expose the Group to several different risks, the most significant of which are the following:

Asset volatility
The calculation of the liabilities arising from the plans uses a discount rate based on the yield of bonds issued by the company. If the yield on the assets used for the plan is lower than this level, there will be a deficit.

Inflation risk
Some of the benefit obligations under the plans are tied to inflation, and higher inflation will lead to higher liabilities (although a ceiling for inflation adjustments has been set in most cases to protect the plan from unusually high inflation).

Life expectancy
As the majority of the obligations under the plans are related to providing lifelong benefits to the members, the expected increase in life expectancy will result in higher obligations under the plans.

3.7 Working capital

3.7.1 Inventories

ⓘ Inventories are materials and supplies, work in progress and finished goods.

Fixed overhead costs are capitalised to inventories in manufacturing. Inventories are measured at the lower of their acquisition cost or net realisable value. The net realisable value is the sales price expected to be received on them in the normal course of business less the estimated costs necessary to bring the product to completion and the costs of selling. The acquisition cost is defined by the FIFO (first-in-first-out) method. Within Alma Media, inventories mainly consist of the products sold by the book business.

MEUR	2021	2020
Finished products	0.7	0.6
Total	**0.7**	**0.6**

3.7.2 Trade and other receivables

ⓘ In recognising expected credit losses, the Group applies the simplified approach defined in IFRS 9, according to which a loss allowance based on lifetime expected credit losses is recognised for all trade receivables and contract assets. For the purposes of determining expected credit losses, trade receivables have been grouped on the basis of shared credit risk characteristics and delinquency in payment.

31.12.2021 MEUR	Current	5–30 days past due	31–120 days past due	121–180 days past due	More than 180 days past due	Total
Expected loss rate	0.14%	0.92%	3.43%	32.99%	100%	
Gross carrying amount – trade receivables	23.1	2.1	0.7	0.1	0.5	26.6
Loss allowance	0.0	0.0	0.0	0.0	0.5	0.6

31.12.2020 MEUR	Current	5–30 days past due	31–120 days past due	121–180 days past due	More than 180 days past due	Total
Expected loss rate	0.14%	0.92%	3.43%	32.99%	100%	
Gross carrying amount – trade receivables	20.5	0.6	0.8	0.1	0.7	22.7
Loss allowance	0.0	0.0	0.0	0.0	0.7	0.8

MEUR	2021	2020
Trade receivables	26.6	21.7
Receivables from associated companies		0.0
Total	**26.6**	**21.7**
Receivables from others		
Prepaid expenses and accrued income	4.3	4.7
Other receivables	0.6	0.6
Total	**4.9**	**5.4**
Receivables, total	**31.5**	**27.1**

The book values of trade receivables, other current and non-current receivables and other current investments are estimated to correspond to fair values. The impact of discounting is not significant.

3.7.3 Trade payables and other liabilities

The book values of trade payables and other liabilities are estimated to correspond with their fair values. The impact of discounting is not significant taking the maturity of the liabilities into account.

The main items in accrued expenses and prepaid income are allocated wages, salaries and other employee expenses.

MEUR	2021	2020
Trade payables	4.2	5.0
Owed to associated companies		
Trade payables	0.0	0.0
Accrued expenses and prepaid income	26.0	37.9
Other liabilities	6.6	5.5
Total	**36.8**	**48.5**

3.8 Financial risks

Financial risk management is part of the Group's risk management policy. The risk management strategy and plan, the control limits imposed and the course of action are reviewed annually. The Group has a risk management organisation tasked with identifying the risks threatening the company's business, assess and update them, develop the necessary risk management methods and regularly report on the risks.

Alma Media categorises its financial risks as follows:

Interest rate risk

The interest rate risk describes how changes in interest rates and maturities related to various interest-bearing business transactions and balance sheet items could affect the Group's financial position and net result. The impact of the interest rate risk on net result can be reduced using interest rate swaps, interest forwards and futures and interest or foreign exchange options.

The Group's interest-bearing debt totalled MEUR 233.7 (38.9) on 31 December 2021. The interest-bearing debt consists of a Term Loan of MEUR 200 with a maturity of three years and IFRS 16 lease liabilities. The Group's net debt amounted to MEUR 181.8 (-9.1) on 31 December 2021.

The computational interest rate used in calculating lease liabilities is fixed and the amount of the liability is primarily based on the contractual obligations pertaining to leases for business premises. If the computational interest rate used in calculating lease liabilities were to be increased by one percentage point, the effect on the Group's financial expenses would be MEUR 0.3.

The variable interest rate on the Term Loan is linked to the three-month Euribor rate. If the Euribor rate used as the reference rate for the Term Loan were to increase by one percentage point in 2022 or 2023, the annual effect on the Group's financial expenses would be MEUR 2.0.

On the balance sheet date, 31 December 2021, the Group had an interest rate hedge that was taken out in December 2021 and has a nominal value of MEUR 50. The interest rate hedging agreement is a four-year fixed interest rate agreement that will commence in two years' time. On the balance sheet date, the fair value of the interest rate hedge was EUR 0.2 thousand. The change in the fair value is recognised through profit or loss during the financial year.

Foreign exchange risks

Transaction risk

The transaction risk describes the impact of changes in foreign exchange rates on sales, purchases and balance sheet items denominated in foreign currencies Alma Media's most significant currencies in addition to the euro are the Czech koruna, the Swedish krona and the US dollar. The impact of changes in exchange rates on net result in the most important currencies of the Group can be reduced by the following measures:

- Cash flows in the same currency are netted through a common foreign currency account whenever the cost/benefit ratio is significant
- Known, continuous and significant foreign currency cash flow is hedged. The Czech koruna is hedged at a target level of approximately 50% of the cash flow accrued during the next two years.

Translation risk

A foreign exchange risk that arises from the translation of foreign investments into the functional currency of the parent company, the euro. The risk associated with translating long-term net investments in foreign currencies is assessed on a regular basis. Should there be a clear and permanent risk of a currency devaluating, Group management may decide to hedge the company's foreign currency exposure. There was no hedged open currency exposure related to translation risk on the balance sheet date.

The Group's open foreign currency derivatives on the balance sheet date are described in Note 3.3.

Capital management risks

Liquidity management

In December 2021, Alma Media signed a new MEUR 200 Term Loan financing facility. This replaced the temporary Bridge Facility agreement that was in place for financing acquisitions. The new agreement has a maturity of 36 months. The financing arrangement includes the usual covenants concerning the equity ratio and the ratio of net debt to EBITDA. The Group met the covenants on 31 December 2021.

The new financing arrangement also includes a MEUR 30 revolving credit facility (RCF). The facility will be used for the Group's general financing purposes. The revolving credit facility has a maturity of four years and it was entirely unused on 31 December 2021.

Liquidity is assessed daily and liquidity forecasts are made at weekly, monthly and 12-month rolling intervals.

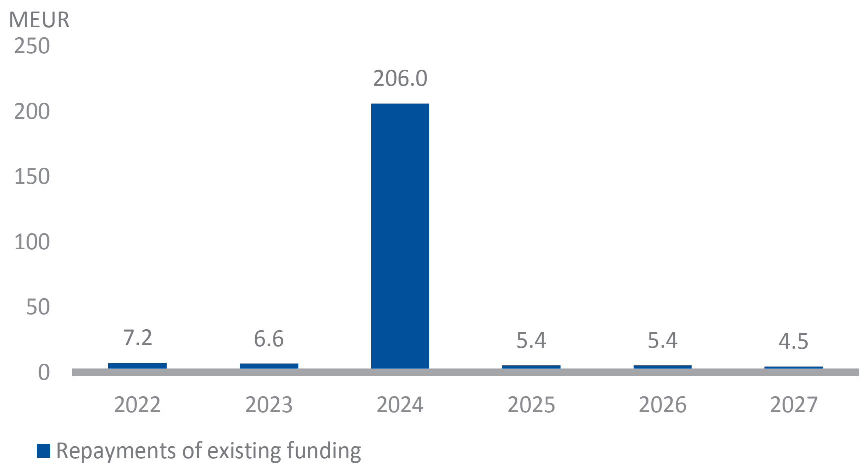
On the balance sheet date, the company had a commercial paper programme of MEUR 100 in Finland. Within the programme, the company may issue commercial papers to a total value of MEUR 0–100. No commercial papers were in circulation on the balance sheet date 31 December 2021.

Long-term capital funding

To secure its long-term financing needs, Alma Media uses capital market instruments, leasing or other financial arrangements.
The table describes the maturity distribution of the Group's interest-bearing debts:

MEUR	Balance sheet value	0–6 months	1 year	1–2 years	2–5 years	Over 5 years
Loans from financial institutions	200				200	
Lease liabilities	33.7	3.6	3.6	6.3	15.8	4.3
Foreign currency derivative	0.3	0.2	0.2			
Total	**234.0**	**3.8**	**3.8**	**6.3**	**215.8**	**4.3**

Maturity structure of outstanding debt



Credit risk

The Group's credit policy is described and documented in the Group credit management policy. The Group does not have significant risks of past due receivables because it has a large customer base and no individual customer will comprise a significant amount. During the financial year, credit losses of MEUR 0.4 were recognised through profit or loss. These credit losses were caused by an unexpected change in customers' economic environment. The maturity structure of trade receivables is presented in Note 3.7.2 Trade and other receivables.

Capital management

The aim of the Group's capital management is to support business operations through an optimal capital structure and to secure normal business preconditions. The capital structure is influenced through dividend distribution, for example. The development of the Group's capital structure is continuously monitored with gearing and equity ratio key figures. The company's financing agreements contain covenants concerning the company's equity ratio and the ratio of net debt to EBITDA. The following describes the values of these key figures in 2021 and 2020 as well as an itemisation of net debt and changes therein during the financial periods in question.

Reconciliation of net debt

MEUR	2021	2020
Interest-bearing long-term liabilities	226.8	31.9
Short-term interest-bearing liabilities	7.0	7.0
Cash and cash equivalents	51.9	48.0
Net debt	181.8	-9.1
Total equity	166.5	204.6
Gearing, %	109.2%	-4.5%
Equity ratio, %	34.7%	63.1%

3.9 Information on shareholders' equity and its management

The Group classifies the instruments it has issued in either equity or liabilities (financial liabilities) based on their nature. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Expenses related to the issuance or acquisition of equity instruments are presented as a deduction from equity. If the Group acquires equity instruments of its own, their acquisition cost is deducted from equity.

The following describes information on Alma Media Corporation's shares and changes in 2021.

	Total number of shares	Share capital, MEUR	Share premium fund, MEUR	Invested non-restricted equity fund, MEUR
1.1.2021	82,383,182	45.3	7.7	19.1
31.12.2021	**82,383,182**	**45.3**	**7.7**	**19.1**

The company has one share series and all shares confer the same voting rights, one vote per share. The shares have no nominal value.

Book-entry securities system

The company's shares are registered in the book-entry system. Only such shareholders have the right to receive distributable funds from the company, and to subscribe to shares in conjunction with an increase in the share capital, 1) who are listed as shareholders in the shareholders' register on the record date; or 2) whose right to receive payment is recorded in the book-entry account of a shareholder listed in the shareholders' register on the record date, and this right is entered in the shareholders' register; or 3) whose shares, in the case of registered shares, are registered in their book-entry account on the record date, and as required by section 28 of the Act on the Book-Entry System, the respective manager of the shares is listed on the record date in the shareholders' register as the manager of said shares. Shareholders whose ownership is registered in the waiting list on the record date have the right to receive distributable funds from the company, and the right to subscribe to shares in conjunction with an increase in the share capital, provided they are able to furnish evidence of ownership on the record date.

Own shares

Alma Media Corporation owns a total of 170,410 of its own shares, representing 0.2 per cent of the total number of the company's shares and related votes. The total registered number of Alma Media's shares is 82,383,182, which entitle to 82,383,182 votes.

Translation differences
The translation differences fund comprises the exchange rate differences arising from the translation into EUR of the financial statements of the independent foreign units.

Share premium reserve
In cases in which stock options have been decided during the time the previous Finnish Limited Liability Companies Act (29.9.1978/734) was in force, payments received for share subscriptions based on stock options have been recognised in share capital and the share premium reserve in accordance with the terms of the respective option programmes, less transaction costs.

Distributable funds
The distributable funds of the Group's parent company totalled EUR 145,038,964 on 31 December 2021.

Dividend policy
Alma Media updated its long-term financial targets on 3 December 2018. According to the targets, the company aims to pay on average more than 50% of the profit for the period in dividends or capital repayments over the long term.

Redemption of shares
A shareholder whose proportional holding of all company shares, or whose proportional entitlement to votes conferred by the company shares, either individually or jointly with other shareholders, is or exceeds 33.3% or 50% is obligated on demand by other shareholders to redeem such shareholders' shares.

3.9.1 Earnings per share

Basic earnings per share are calculated by dividing the profit for the period attributable to the ordinary equity holders of the parent by the weighted average number of shares outstanding during the year. Diluted earnings per share are calculated by dividing the profit for the period attributable to the equity holders of the parent by the weighted average number of diluted shares during the period.

MEUR	2021	2020
Profit attributable to ordinary shareholders of parent	43.6	93.3
Number of shares (1,000 pcs)		
Weighted average number of shares for basic earnings per share	82,213	82,262
Incentive schemes	1,778	1,430
Diluted weighted average number of outstanding shares	83,991	83,693
Earnings per share (basic)	0.53	1.13
Earnings per share (diluted)	0.52	1.11
EPS, basic, continuing operations	0.53	0.33
EPS, basic, discontinued operations		0.80

4. Consolidation

4.1 General principles of consolidation

All subsidiaries are consolidated in the consolidated financial statements. Subsidiaries are companies in which the Group has a controlling interest. The criteria for control are fulfilled when the Group is exposed, or has rights, to variable returns from its involvement with an entity and has the ability to affect those returns through its power over the entity. The accounting principles applied in the subsidiaries have been brought into line with the IFRS principles applied in the consolidated financial statements. Mutual holdings are eliminated using the purchase method. Purchase consideration and the individualised assets and liabilities of the acquired entity are recognised at their fair value on the acquisition date. The costs related to the acquisition, with the exception of costs arising from the issue of equity or debt securities, are recorded as expenses. Additional purchase cost, if applicable, is recognised at fair value on the acquisition date and classified as a liability through profit or loss. Additional purchase cost classified as a liability is measured through profit or loss at fair value on the last day of each reporting period.

4.2 Subsidiaries

The Group's parent and subsidiary relationships are as follows:

			Holding, %		Share of votes, %
Company	**Finland**	**2021**	**2020**	**2021**	**2020**
Parent company Alma Media Corporation	Finland				
Alma Career Oy	Finland	100.0	83.3	100.0	83.3
Alma Career, spletno oglase-vanje d.o.o	Slovenia	100.0	83.3	100.0	83.3
Alma Media Suomi Oy	Finland	100.0	100.0	100.0	100.0
Alma Mediapartners Oy	Finland	100.0	100.0	100.0	100.0
Alma Talent Oy	Finland	100.0	100.0	100.0	100.0
CV-Online Estonia OÜ	Estonia	100.0	83.3	100.0	83.3
Digitaalinen asuntokauppa DIAS Oy	Finland	80.5	80.5	80.5	80.5
Etua Oy	Finland	100.0	60.0	100.0	60.0
Karenstock Oy	Finland	100.0	100.0	100.0	100.0
Kolektiv d.o.o	Bosnia and Herzegovina	100.0	83.3	100.0	83.3
Kotikokki.net Oy	Finland	65.0	65.0	65.0	65.0
LMC s.r.o	Czech Republic	100.0	83.3	100.0	83.3
Talentem s.r.o.	Czech Republic	100.0	83.3	100.0	83.3
Müügimeistrite A/S	Estonia	80.0	80.0	80.0	80.0
Objektvision AB	Sweden	100.0	100.0	100.0	100.0
Profesia s.r.o	Slovakia	100.0	83.3	100.0	83.3
Profesia s.r.o	Czech Republic	100.0	83.3	100.0	83.3
Rantapallo Oy	Finland	79.0	79.0	79.0	79.0
SIA CV-Online Latvia	Latvia	100.0	83.3	100.0	83.3
Suoramarkkinointi Mega Oy	Finland	100.0	100.0	100.0	100.0
TAU On-line d.o.o	Croatia	100.0	83.3	100.0	83.3
Telemarket SIA	Latvia	72.0	81.0	72.0	81.0
UAB CV-Online LT	Lithuania	100.0	83.3	100.0	83.3
Nettix Oy	Finland	100.0		100.0	
Netello Systems Oy	Finland	60.0		60.0	
Quantiq s.r.o	Czech Republic	100.0		100.0	

Itemisation of significant non-controlling interests in the Group:

Subsidiary	**Finland**	**Holding, % 2021**	**Holding, % 2020**
Alma Career Oy sub-group	Finland		16.66
Digitaalinen asuntokauppa DIAS Oy	Finland	19.5	19.5

During the financial year 2021, Alma Media Corporation acquired the entire share capital of Nettix Oy, 60% of the share capital of Netello Systems and increased its shareholding to 100% in Alma Career Oy (previously 83.34%) and Etua Oy (previously 60%).

The redemption of the minority interests of 16.66% in Alma Career Oy and 40% in Etua Oy affected the Group's balance sheet position by the redemption prices of the minority interests being deducted directly from the Group's equity. The redemption of the minority interest in Alma Career Oy reduced the Group's equity by MEUR 40 and the redemption of the minority interest in Etua Oy increased the Group's equity by MEUR 0.7.

4.3 Business combinations

Subsidiaries acquired are consolidated from the time when the Group gains the right of control, and divested subsidiaries until the Group ceases to exercise the right of control. All intra-Group transactions, receivables, liabilities and profits are eliminated in the consolidated financial statements. The distribution of the profit for the year between the parent company owners and non-controlling interest shareholders is shown in the statement of comprehensive income. The eventual non-controlling interest in the acquired companies is measured at fair value or to the amount corresponding to the share of the non-controlling interest based on the proportionate share of the specified net assets. The measurement method is defined for each acquisition separately.

The comprehensive income is attributed to parent company shareholders and non-controlling shareholders, even if this were to lead to a negative portion being attributed to non-controlling shareholders. The amount of shareholders' equity attributable to non-controlling shareholders is shown as a separate item in the balance sheet under shareholders' equity. Changes in the parent company's holding in a subsidiary that do not lead to a loss of control are treated as equity transactions.

In conjunction with acquisitions achieved in stages, the previous holding is measured at fair value through profit or loss. When the Group loses control in a subsidiary, the remaining investment is measured at fair value through profit or loss on the date control in the subsidiary is lost, and the difference is recognised through profit or loss.

Acquisitions that took place before 1 January 2010 are recognised according to the provisions valid at the time.

Acquisitions in 2021

The Group carried out the following acquisitions in 2021:

	Business	Acquisition date	Acquired share	Group share
Alma Career segment				
Quantiq s.r.o	Online service	7 Jan 2021	100%	100%
Alma Consumer segment				
Netello Systems Oy	Online service	31 Mar 2021	60%	60%
Nettix Oy	Online service	1 Apr 2021	100%	100%

Alma Career

Consideration

MEUR	Fair value
Consideration, settled in cash	1.0
Contingent consideration	0.9
Total consideration	**1.9**

The assets and liabilities recorded as a result of the acquisition were as follows:

MEUR	Fair values entered in integration
Property, plant and equipment	0.8
Trade receivables and other receivables	0.0
Cash and cash equivalents	0.0
Total assets acquired	**0.8**
Deferred tax liabilities	0.1
Trade payables and other payables	0.2
Total liabilities acquired	**0.3**
Acquired identifiable net assets at fair value, total	**0.5**
Group's share of net assets	**0.5**
Goodwill	**1.5**
Annual amortisation of intangible assets related to acquisitions	**0.0**

Alma Consumer

Consideration

MEUR	Nettix Oy	Other	Total
Consideration, settled in cash	171.2	2.9	174.1
Total consideration	**171.2**	**2.9**	**174.1**

Fair values entered in integration

The assets and liabilities recorded as a result of the acquisition were as follows:

	Nettix Oy	Other	Total
Property, plant and equipment	0.0	0.0	0.1
Intangible assets	38.7	3.1	41.7
Trade receivables and other receivables	1.9	0.3	2.2
Cash and cash equivalents	3.2	0.2	3.4
Total assets acquired	**43.8**	**3.6**	**47.4**
Deferred tax liabilities	7.6	0.6	8.1
Trade payables and other payables	4.7	0.6	5.3
Total liabilities acquired	**12.3**	**1.1**	**13.4**
Acquired identifiable net assets at fair value, total	**31.6**	**2.4**	**34.0**
Group's share of net assets	**31.6**	**1.5**	**33.0**
Minority interest		**1.0**	**1.0**
Goodwill	**139.7**	**1.4**	**141.1**

Alma Media completed the acquisition of Nettix Oy from Otava Group in spring 2021. The transaction was announced on 5 March 2021 and closed on 1 April 2021.

Nettix Oy is reported as part of the Alma Consumer business segment starting from the second quarter of 2021.

Nettix Oy's business consists of Finland's leading motor vehicle marketplaces, such as Nettiauto, Nettikone and Nettimoto, and they reach an audience of 2.5 million Finns every week.

In 2020, marketplaces generated over 81% of Nettix Oy's revenue. The compound annual growth rate (CAGR) of the marketplaces was approximately 7% in 2016–2020. In addition, Nettix Oy consists of Konepörssi, the leading professional media for machine and transport business, and the news service Ampparit. As a result of the acquisition, a total of 39 Nettix Oy employees (converted to full-time employees) were transferred to Alma Media.

The acquisition of Nettix Oy is a continuation of Alma Media's strategy, which concentrates on digital media and services. Nettix complements Alma Media's marketplaces business, offering opportunities for cross-selling and additional sales and the sharing of best practices between the services. Through this acquisition, Alma Media continues its strategic expansion into new digital products and services that address customer needs and cover the entire value chain, ranging from sales systems to transactions.

Digitalisation of mobility services and the automotive ecosystem is expected to accelerate even further in the next few years, and sales and purchases will continue to move to digital marketplaces.

In 2020, Nettix Oy's revenue totalled MEUR 22.5, its EBITDA was MEUR 11.2 and its operating profit amounted to MEUR 10.0. The purchase price for the acquired business was MEUR 171.2. There are no additional purchase price components included in the transaction. Alma Media financed the acquisition entirely with debt. The transaction costs related to the acquisition have amounted to MEUR 4.6, of which MEUR 0.5 was recognised in expenses in 2020 and MEUR 4.1 in other other operating expenses in the first half of 2021. The expense is treated as an operating profit adjustment item in 2021. The Nettix Oy acquisition increases Alma Media's goodwill by MEUR 140. The goodwill consists of the future growth expectations of the business, as well as synergies. Alma Media estimates that the transaction will generate annual synergy gains of approximately MEUR 1.5 by 2022, mostly associated with media sales, support functions, premises, IT systems and IT development. In addition, other intangible assets increased by MEUR 38 in connection with the transaction, consisting of customer agreements amounting to MEUR 16.8 and brands amounting to MEUR 21. The assets recognised at fair value in connection with the acquisition increase depreciation by MEUR 3.4 annually. Nettix Oy's effect on Alma Media Group's revenue in 2021 was MEUR 16.5, on EBITDA MEUR 8.2, and on operating profit less PPA amortisation MEUR 5.3. Had Nettix Oy been consolidated into Alma Media Group from the beginning of 2021, its effect on the Group's revenue would have been MEUR 21.8, on EBITDA 10.7, and on operating profit less PPA amortisation MEUR 6.8.

Acquisitions in 2020

The Group carried out the following acquisitions in 2020:

	Business	Acquisition date	Acquired share	Group share
Alma Markets segment				
Kolektiv Ltd	Online service	9 Jan 2020	70%	83%
Muuttomaailma Oy	Online service	25 Feb 2020	75%	100%
Alma Talent segment				
Digitaalinen asuntokauppa DIAS Oy	Online service	30 Dec 2020	80.5%	80.5%

Alma Markets

Consideration

MEUR	Fair value
Consideration, settled in cash	3.7
Contingent consideration	0.7
Fair value of acquisition achieved in stages	1.7
Total consideration	**6.1**

The assets and liabilities recorded as a result of the acquisition were as follows:

MEUR	Fair value
Property, plant and equipment	0.1
Intangible assets	1.5
Trade receivables and other receivables	0.3
Cash and cash equivalents	0.6
Total assets acquired	**2.6**
Deferred tax liabilities	0.2
Trade payables and other payables	0.4
Total liabilities acquired	**0.6**
Acquired identifiable net assets at fair value, total	**1.9**
Group's share of net assets	**1.5**
Minority interest	**0.4**
Goodwill	**4.6**

Alma Talent

Consideration

MEUR	Fair value
Consideration, settled in cash	15.0
Contingent consideration	8.0
Fair value of acquisition achieved in stages	1.1
Total consideration	**24.1**

The assets and liabilities recorded as a result of the acquisition were as follows:

MEUR	Fair value
Property, plant and equipment	
Intangible assets	8.9
Trade receivables and other receivables	0.2
Cash and cash equivalents	1.1
Total assets acquired	**10.3**
Deferred tax liabilities	1.7
Trade payables and other payables	1.0
Total liabilities acquired	**2.7**
Acquired identifiable net assets at fair value, total	**7.6**
Group's share of net assets	**6.1**
Minority interest	**1.5**
Goodwill	**18.0**

The fair values entered on intangible assets in consolidation relate primarily to acquired customer agreements, the brand and information systems developed in-house. Factors contributory to goodwill were the synergies related to these businesses expected to be realised.

Consideration paid for acquisitions – cash flow

MEUR	2021	2020
Paid cash less acquired cash:		
Cash consideration	236.5	18.7
Asset transfer tax and transaction costs	4.5	0.4
Contingent considerations paid during the financial year		2.0
Less acquired amounts		
Cash	3.4	1.7
Net cash flow – capital expenditure	**236.7**	**19.4**

4.4 Investments in associated companies and joint ventures

Associated companies are those in which the Group has a significant controlling interest. A significant controlling interest arises when the Group holds 20% or more of the company's voting rights or over which the Group otherwise is able to exercise significant control. A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. A joint arrangement is either a joint operation or a joint venture. A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement, whereas in a joint operation, the Group has rights to the assets, and obligations for the liabilities, relating to the arrangement. Associated companies and joint ventures are consolidated using the equity method. Investments in associated companies include any goodwill arising from their acquisition. If the Group's share of the associated company's losses exceeds the book value of the investment, this investment is entered at zero value in the balance sheet and any losses in excess of this value are not recognised unless the Group has obligations with respect to the associated companies. The Group's share of the results of its associated companies is shown as a separate item after operating profit. The Group's share of its associated companies' other changes in comprehensive income is recognised in the consolidated comprehensive income statement under other comprehensive income.

MEUR	2021	2020
Investments in associated companies and joint ventures		
At beginning of period	6.6	3.2
Increases	0.5	4.0
Decreases	0.0	-0.7
Share of results	1.0	0.4
Capital repayments received		
Dividends received	-0.3	
Impairment		-0.3
At end of period	**7.7**	**6.6**

Further information on associated companies:

Goodwill arising from associated companies on the balance sheet on 31 December 2021 totalled MEUR 3.7 (MEUR 3.2).

Summary of financial information on associated companies and joint ventures (100%).

MEUR	Alma Career	Alma Talent	Other associated companies
2021			
Current assets	23.7	0.5	
Non-current assets	8.3	0.0	
Current liabilities	13.6	0.1	
Non-current liabilities	3.0	0.1	
Revenue	81.4	0.3	
Profit/loss for the period	4.9	-0.1	
Other comprehensive income	0	0	
Reconciliation between associated companies' and joint ventures' financial information and the balance sheet value recognised by the Group:			
Associated company's net assets	12.5	-0.1	0.1
Group's share of net assets	3.6	0.1	0.1
Goodwill	3.2	0.4	
Other adjustments	1.0	0	
Associated companies' balance sheet value on the consolidated balance sheet	7.2	0.4	0.1
Receivables from associated companies			
Owed to associated companies			
Dividends and capital repayments received from associated company during the period	0.3		

MEUR	Alma Career	Alma Talent	Other associated companies
The year 2020			
Current assets	4.1	0.0	
Non-current assets	4.8	0.0	
Current liabilities	0.9		
Non-current liabilities	0.8		
Revenue	6.0	0.1	
Profit/loss for the period	1.8	0.0	
Other comprehensive income			
Reconciliation between associated companies' and joint ventures' financial information and the balance sheet value recognised by the Group:			
Associated company's net assets	7.1	0.0	0.1
Group's share of net assets	1.8	0.0	0.1
Goodwill	3.2		
Other adjustments	1.1		
Associated companies' balance sheet value on the consolidated balance sheet	6.5	0.0	0.1
Receivables from associated companies			
Owed to associated companies			
Dividends and capital repayments received from associated company during the period			

Associated companies	Segment	Holding (%)	Share of votes (%)
2021			
Bolt Group Oy	Alma Career	21.1	21.1
Infostud 3 d.o.o.	Alma Career	25.0	25.0
Kytöpirtti Oy	Non-allocated	43.2	43.2
Media Metrics Finland Oy	Alma Career	25.0	25.0
Suomen Tunnistetieto Oy	Alma Talent	25.0	25.0
Vrabotuvanje Online	Alma Career	30.0	30.0

During the financial year, the Group sold its 40% holding in the associated company Conseco Press and acquired 25% of Suomen Tunnistetieto Oy.

4.5 Related party transactions

Alma Media Group's related parties are its associated companies (see Note 4.4), the companies that they own and affiliated companies.

Related parties also include the company's management (the Board of Directors, the Presidents and the Group Executive Team). The employee benefits of management and other related party transactions between management and the company are detailed in Note 1.4.

Sales of goods and services with related party members are based on the Group's prices in force at the time of transaction.

Related party transactions – associated companies

MEUR	2021	2020
Sales of goods and services	0.1	0.0
Purchases of goods and services	0.1	0.3
Trade, loan and other receivables	0.0	0.0
Trade payables	-0.1	0.0

Related party transactions – principal shareholders

MEUR	2021	2020
Sales of goods and services	0.1	0.1
Purchases of goods and services	0.2	0.1
Trade, loan and other receivables	0.0	0.0
Trade payables	0.0	0.0
Acquired businesses*	171.2	
Divested business operations**	1.0	

Related party transactions – corporations where management exercises influence

MEUR	2021	2020
Sales of goods and services	0.2	0.1
Purchases of goods and services	0.2	0.1
Trade, loan and other receivables	0.0	0.0
Trade payables		0.0

* The selling party of Nettix Oy is Otava Markkinapaikat Oy, a subsidiary of Otava Oy, which is Alma Media's largest shareholder. Otava Oy is Alma Media's largest shareholder, and the transaction has been classified as a transaction with a related party.

** Alma Media Corporation sold its shareholding in KPK Yhtiöt Oyj (formerly Keski-Pohjanmaan Kirjapaino Oyj) to Ilkka-Yhtymä. The transaction concerned the 24,379 series A shares held by Alma Media Corporation, corresponding to 5.6 per cent of KPK Yhtiöt Oyj's share capital and 0.5 per cent of votes.

5 Other notes

5.1 Income tax

The tax expense in the profit or loss comprises the tax based on the company's taxable income for the period together with deferred taxes. The tax based on taxable income for the period is the taxable income calculated on the applicable tax rate in each country of operation. The tax is adjusted for any tax related to previous periods.

MEUR	2021	2020
Current income tax charge, continuing operations	13.5	8.7
Current income tax charge, discontinued operations		2.7
Adjustments in respect of current income tax of previous years, continuing operations	0.0	0.3
Adjustments in respect of current income tax of previous years, discontinued operations		0.0
Deferred taxes, continuing operations	-1.5	0.0
Deferred taxes, discontinued operations		-0.8
Total	**12.1**	**10.9**

Reconciliation of tax expenses in the income statement and tax calculated on the parent company's tax rate (20.0%):

MEUR	2021	2020
Profit before tax, continuing operations	56.3	42.2
Profit before tax, discontinued operations		67.7
Share of result of associated companies	-1.0	-0.1
Total	**55.3**	**109.8**
Tax calculated on the parent company's tax rate of 20.0%	11.1	22.0
Impact of varying tax rates of foreign subsidiaries	-0.2	-0.1
Tax-free income	-0.1	-12.6
Non-tax-deductible expenses	1.3	1.4
Items from previous periods		
Use of previously non-entered deferred tax assets		
Unrecognised deferred tax asset from the confirmed tax losses	0.0	0.1
Recognition of previously unrecognised deferred tax assets on the balance sheet		
Other items	0.1	-0.1
Tax recognised in the income statement	**12.1**	**10.9**
Tax recognised in the income statement, continuing operations	**12.1**	**9.0**
Tax recognised in the income statement, discontinued operations		**1.9**

Tax impacts of entries due to IAS 19 accounting principles are included in other comprehensive income.

5.2 Deferred tax assets and liabilities

Deferred tax assets and liabilities are recognised on all temporary differences between their book and actual tax values. Deferred taxes are calculated using the tax rates enacted by the balance sheet date. However, the deferred tax liability is not recognised on the initial recognition of goodwill or if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. A deferred tax liability is recognised on non-distributed retained earnings of subsidiaries when it is likely that the tax will be paid in the foreseeable future. Deferred tax assets and liabilities are netted by the company when they relate to income tax levied by the same tax authority and when the tax authority permits the company to pay or receive a single net tax payment. Deferred taxes are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. For this purpose, the conditions for the recognition of deferred taxes are assessed on the final day of each reporting period.

Changes in deferred taxes during 2021:

MEUR	31.12.2020	Recognised in income statement	Recognised in equity	Acquired/sold subsidiaries	31.12.2021
Deferred tax assets					
Provisions	0.1	-0.1	0.0	0.0	0.0
Pension benefits	0.0	0.0	0.0	0.0	0.0
Deferred depreciation	0.0	0.0	0.0	0.0	0.0
Other items	-0.1	0.5	0.0	0.0	0.4
Total	**0.0**	**0.4**	**0.0**	**0.0**	**0.5**
Taxes, net	0.2				0.3
Deferred tax assets on balance sheet	0.3				0.7

MEUR	31.12.2020	Recognised in income statement	Recognised in equity	Acquired/sold subsidiaries	31.12.2021
Deferred tax liabilities					
Accumulated depreciation differences	0.2	0.0	0.0	0.0	0.2
Business combinations	10.7	-1.1	0.0	8.2	17.8
Retained earnings of subsidiary companies	0.4	0.1	0.0	0.0	0.5
Other items	-0.1	0.1	0.0	0.0	0.0
Total	**11.3**	**-0.9**	**0.0**	**8.2**	**18.6**
Taxes, net	0.2				0.3
Deferred tax liabilities on balance sheet	11.5				18.9

No deferred tax asset has been calculated on the confirmed losses of Group companies of MEUR 0.3 in international operations. The utilisation tax assets requires that the normal operations of such companies would generate taxable income. The losses expire in 2023, at the latest.

Changes in deferred taxes during 2020:

MEUR	31.12.2019	Recognised in income statement	Recognised in equity	Acquired/sold subsidiaries	31.12.2020
Deferred tax assets					
Provisions	0.3	0.0		-0.3	0.1
Pension benefits	0.2	0.0	0.0	-0.2	0.0
Deferred depreciation	0.2	0.0		-0.1	0.0
Other items	0.9	-1.0	0.0	0.1	-0.1
Total	**1.6**	**-1.0**	**0.0**	**-0.6**	**0.0**
Taxes, net	-0.1				0.2
Deferred tax assets on balance sheet	0.4				0.3
Deferred tax liabilities					
Accumulated depreciation differences	0.3	-0.1			0.2
Business combinations	11.2	-1.0	-0.8	1.3	10.7
Retained earnings of subsidiary companies	0.3	0.1			0.4
Other items	0.1	-0.1		-0.1	-0.1
Total	**11.9**	**-1.0**	**-0.8**	**1.2**	**11.3**
Taxes, net	-0.1				0.2
Deferred tax liabilities on balance sheet	11.1				11.5

5.3 Discontinued operations

Non-current assets (or disposal groups) are classified as held for sale in accordance with IFRS 5 if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. If their carrying amount will be recovered principally through a sale transaction rather than through continuing use, they are measured at the lower of their carrying amount and fair value less costs to sell.

Assets that are classified as held for sale are not depreciated or amortised. Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are also presented separately from other liabilities in the balance sheet. A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that meets the IFRS 5 criteria for classification as a discontinued operation. The comparison figures in the income statement are adjusted with respect to the operations classified as discontinued during the most recent financial statements period presented. The results of discontinued operations are also presented separately in the comparison figures.

On 11 February 2020, Alma Media announced it will sell its regional news media business and printing operations to Sanoma Media Finland. The divested businesses were previously reported primarily under the Alma Consumer segment. The transaction was subject to customary closing conditions, including approval by the Finnish Competition and Consumer Authority. The Finnish Consumer and Competition Authority issued its approval for the transaction on 19 March 2020. The transaction was completed in April 2020.

Alma Media has applied the provisions of IFRS 5 Non-current Assets Held for Sale and Discontinued Operations in the classification, presentation and recognition of the divestment of the regional news media business and printing operations. Alma Media classified the businesses as assets held for sale and reported them as discontinued operations in the 2020 financial statements.

The consolidated income statement presents the discontinued operations separately from continuing operations.

Income statement for discontinued operations

MEUR	1.1.–30.4.2020
Revenue	27.1
Other operating income	8.0
Expenses	-26.5
Depreciation and impairment	0.0
Net financial expenses	-0.5
Profit before tax	8.1
Income tax	-1.9
Profit of the discontinued operations, after taxes	**6.2**
Gain on the sale of the subsidiary, after taxes	**59.6**
Profit from discontinued operations	**65.8**
Detailed information on the sale of a subsidiary	
Consideration received or to be received	**79.1**
Transaction costs	**-1.6**
Book value of net assets sold	**-17.9**
Gain on sale	**59.6**

Cash flows of discontinued operations

MEUR	2020
Net cash flow from operating activities	6.3
Cash flow from investing activities	52.2
Cash flow from financing activities	-9.5

Transactions between continuing operations and discontinued operations have been eliminated in accordance with IFRS 10. The intragroup sales of printing and other services by the discontinued operations to the continuing operations amounted to MEUR 1.7 for the period 1 January–30 April 2020. These items have been eliminated from the revenue of the discontinued operations and the corresponding expenses have been eliminated from the expenses of the discontinued operations.

The amount of MEUR 0.7 has been deducted from the expenses of the discontinued operations for the period 1 January–30 April 2020 and these expenses have been transferred to the profit for continuing operations. These expenses consist of the fixed expenses of support services that are expected to continue to be borne by the continuing operations following the divestment.

In addition, the expenses allocated to discontinued operations for the period 1 January–30 April 2020 include an estimated incentive bonus totalling MEUR 0.6 for the successful transfer of the divested business to the buyer after a transitional service period.

5.4 Events after the balance sheet date

ⓘ The period during which matters affecting the financial statements are taken into account is the period from the closing of the accounts to the release of the statements. The release date is the day on which the Financial Statements Bulletin will be published. Events occurring during the period referred to above are examined to determine whether they do or do not render it necessary to correct the information in the financial statements.

Information in the financial statements is corrected in the case of events that provide additional insight into the situation prevailing on the balance sheet date. Events of this nature include, for example, information received after the closing of the accounts indicating that the value of an asset had already been reduced on the balance sheet date.

In December, Alma Media's subsidiary Alma Media Finland Ltd agreed to sell E-kontakti to the City Digital group. The business was transferred to the new owner on 1 January 2022. The transaction does not have a significant impact on Alma Media's result. E-kontakti's revenue amounted to MEUR 0.9 in 2021.

Parent company income statement (FAS)

EUR	Note	1.1.–31.12.2021	1.1.–31.12.2020
Revenue	6.1	22,680,291	26,468,657
Other operating income	6.2	196,300	111,167
Materials and services	6.3	15,911	21,395
Expenses arising from employee benefits	6.4	11,072,872	10,482,016
Depreciation and impairment	6.5	730,749	1,054,318
Other operating expenses	6.6, 6.7, 6.8	21,547,856	20,768,706
Operating profit (loss)		**-10,490,797**	**-5,746,612**
Financial income and expenses	6.9	24,749,320	17,827,954
Profit before appropriations and taxes		**14,258,522**	**12,081,342**
Appropriations	6.10	19,627,811	11,735,592
Income tax	6.11	-1,818,067	-1,020,457
Profit for the period		**32,068,266**	**22,796,477**

Parent company balance sheet (FAS)

EUR	Note	31.12.2021	31.12.2020
ASSETS			
Non-current assets			
Intangible assets	6.12	611,405	1,280,099
Property, plant and equipment	6.13	1,009,638	1,294,746
Investments			
Holdings in Group companies	6.14	529,877,545	304,850,728
Other investments		1,930,410	1,959,947
Non-current assets, total		**533,428,999**	**309,385,520**
Current assets			
Current receivables	6.15	27,001,960	22,951,372
Cash and cash equivalents		22,352,457	28,306,219
Current assets, total		**49,354,417**	**51,257,590**
Assets, total		**582,783,416**	**360,643,111**

EUR	Note	31.12.2021	31.12.2020
EQUITY AND LIABILITIES			
Equity			
Share capital		45,292,112	45,292,112
Share premium reserve		119,295,759	119,295,759
Other reserves		5,357,269	5,357,269
Invested non-restricted equity fund		110,756,338	110,756,338
Retained earnings (loss)		2,214,360	4,708,762
Profit for the period (loss)		32,068,266	22,796,477
Total equity	6.16	**314,984,104**	**308,206,717**
Accumulated appropriations	6.17	**158,241**	**186,052**
Liabilities			
Non-current liabilities	6.18	**200,610,241**	**577,168**
Current liabilities	6.19	**67,030,830**	**51,673,174**
Liabilities, total		**267,641,071**	**52,250,342**
Shareholders' equity and liabilities, total		**582,783,416**	**360,643,111**

Parent company cash flow statement (FAS)

EUR	1.1.–31.12.2021	1.1.–31.12.2020
Cash flow from operating activities		
Profit for the period	32,068,266	22,796,477
Depreciation and impairment	730,749	1,354,318
Gains on sale of non-current assets	-148,868	9,988
Net financial expenses (income statement)	-29,919,549	-18,127,954
Income tax	1,818,067	1,020,457
Change in provisions		-4,808
Other adjustments	-13,725,849	-12,330,847
Change in working capital:		
Change in trade receivables and other receivables	836,194	-631,211
Change in trade payables and other payables	-1,117,097	-1,628,026
Dividend received	31,533,254	21,635,740
Interest received	60,399	29,092
Interest expenses paid and other finance expenses	-1,674,104	-582,724
Taxes paid	-2,475,865	-726,950
Cash flow from operating activities	**17,985,597**	**12,813,553**
Capital expenditure		
Acquisitions of business operations	-238,722,246	-53,000,000
Divestments of business operations		52,791,600
Acquisitions of tangible assets	-35,539	-151,300
Acquisitions of intangible assets		-225,285
Other investments	-230,000	-7,093
Proceeds from sale of available-for-sale financial assets	950,000	50,000
Proceeds from sale of tangible and intangible assets	407,458	
Acquisition and sale of associated companies	-450,000	2,372,945
Net cash flows from/(used in) investing activities	**-238,080,327**	**1,830,868**
Cash flow before financing activities	**-220,094,730**	**14,644,420**

EUR	1.1.–31.12.2021	1.1.–31.12.2020
Financing activities		
Non-current loans taken	419,440,972	
Repayment of non-current loans	-220,000,000	
Current loans taken	11,000,000	
Repayment of current loans	-11,000,000	
Acquisition of own shares	-1,135,557	-1,464,407
Change in interest-bearing receivables	29,091,493	-24,551,991
Group contributions received and paid	11,440,000	23,270,000
Dividends paid	-24,695,940	-32,940,868
Net cash flows from/(used in) financing activities	**214,140,968**	**-35,687,267**
Change in cash and cash equivalent funds (increase +/decrease -)	**-5,953,762**	**-21,042,847**
Cash and cash equivalents at beginning of period	28,306,219	49,349,066
Cash and cash equivalents at end of period	22,352,457	28,306,219

Accounting principles used in the parent company's financial statements

General information

Alma Media Corporation is a Finnish public limited company incorporated under Finnish law. Its registered office is in Helsinki at the address Alvar Aallon katu 3 C, P.O. Box 140, FI-00101 Helsinki, Finland.

Parent company financial statements

The financial statements of the parent company are prepared in accordance with Finnish Accounting Standards (FAS).

The parent company was established on 27 January 2005. On 7 November 2005, the old Alma Media Corporation was merged with Almanova Corporation, which adopted the name Alma Media Corporation after the merger. The merger difference arising in conjunction with the merger has been capitalised to the Group's shares.

Non-current assets

Tangible and intangible assets are capitalised at direct acquisition cost less planned depreciation and write-downs. Planned depreciation is calculated from the original acquisition cost based on the estimated economic life of the asset. The land areas are not depreciated. The economic lifetimes of the assets are as follows:

Buildings	30–40 years
Machinery and equipment	3–10 years
Other intangible assets	5–10 years
Intangible rights	5–10 years

Research and development costs

Research costs are recognised as an expense in the financial period during which they are incurred. Development costs are capitalised when it is expected that the intangible asset will generate future economic added value and the costs arising from this can be reliably determined.

Taxes

Taxes in the income statement are the taxes corresponding to the results of the Group companies during the financial year as well as adjustments to taxes in previous years. No deferred tax assets are recognised in the parent company's accounts.

Foreign currency items

Foreign currency items are entered at the rates prevailing on the transaction date. Receivables and payables on the balance sheet are valued at the average rate on the balance sheet date. Exchange rate differences arising from sales and purchases are treated as additions or subtractions, respectively, in the income statement. Realised and unrealised exchange rate differences related to loans and loan receivables are recognised in other financial income and expenses in the income statement. The parent company does not have any significant foreign currency loans.

Pension commitments

Statutory and voluntary employee pension benefits for the parent company's personnel are arranged mainly through pension insurance companies.

Other employee benefits

The parent company has a long-term share-based incentive scheme for key management in effect. In accordance with Finnish Accounting Standards (FAS), the option benefit and the share reward are not measured at fair value, nor is the calculated employee benefit expensed in the income statement

Notes to the parent company's financial statements

6.1 Revenue by market area

MEUR	2021	2020
Finland	22.7	26.5
Total	**22.7**	**26.5**

6.2 Other operating income

MEUR	2021	2020
Gains on the sale of assets	0.2	
Other income	0.0	0.1
Total	**0.2**	**0.1**

6.3 Materials and services

MEUR	2021	2020
Materials and services	0.0	0.0
Total	**0.0**	**0.0**

6.4 Employee expenses

MEUR	2021	2020
Wages, salaries and fees	8.7	8.6
Pension expenses	1.6	1.2
Other payroll-related expenses	0.8	0.7
Total	**11.1**	**10.5**
Average number of employees	99	100
Salaries and bonuses paid to management		
President and CEO	0.9	1.2
Other members of the Group Executive Team	2.9	2.4
Members of the Board of Directors	0.3	0.4
Total	**4.1**	**4.0**

The benefits to which the President and CEO of the parent company is entitled are described in more detail in Note 1.4.1 to the consolidated financial statements.

6.5 Depreciation and write-downs

MEUR	2021	2020
Depreciation on tangible and intangible assets	0.7	1.1
Total	**0.7**	**1.1**

6.6 Other operating expenses

MEUR	2021	2020
Information technology and telecommunication	10.7	10.5
Business premises	6.3	6.3
Other expenses	4.5	4.0
Total	**21.5**	**20.8**

6.7 Auditors' fees

EUR 1,000	2021	2020
Audit	232.3	252.7
Reporting and opinions	4.0	1.0
Tax consultation		11.7
Other	127.1	109.4
Total	**363.4**	**374.7**

Parent company audit expenses include audit fees for the whole group.

6.8 Research and development costs

The Group's research and development costs in 2021 totalled EUR 140,000 (EUR 140,000 in 2018). No development costs were capitalised on the balance sheet in 2021 or in 2020.

6.9 Financial income and expenses

MEUR	2021	2020
Dividend income		
From Group companies	31.2	21.6
From associated companies	0.3	
From others	0.0	0.0
Total	**31.5**	**21.6**
Income from other non-current investments		
From others	0.2	0.0
Other interest and financial income		
From Group companies	0.1	0.9
Fair value gain on financial assets at fair value through profit or loss	0.2	
From others	0.0	0.0
Total	**0.3**	**0.9**
Impairment of non-current investments		
Impairment of shares in Group companies	-5.6	
Impairment of non-current investments		-0.3
Total	**-5.6**	**-0.3**
Interest expenses and other financial expenses		
To Group companies		-3.8
To others	-1.7	-0.3
Total	**-1.7**	**-4.1**
Foreign exchange rate gains/losses		
Foreign exchange rate gains and losses	0.0	-0.3
Financial income and expenses, total	**24.7**	**17.8**

6.10 Appropriations

MEUR	2021	2020
Difference between planned depreciation and depreciation made for tax purposes	0.0	0.3
Group contribution	19.6	11.4
Total	**19.6**	**11.7**

6.11 Income tax

MEUR	2021	2020
Income tax from regular business operations	-1.8	-1.0
Total	**-1.8**	**-1.0**

6.12 Intangible assets

MEUR	Intangible rights
Financial year 2021	
Acquisition cost 1 Jan	6.3
Decreases	-3.0
Transfers between items	
Acquisition cost 31 Dec	**3.4**
Accumulated depreciation, amortisation and impairment 1 Jan	5.0
Accumulated depreciation in decreases	-3.0
Depreciation for the financial year	0.7
Accumulated depreciation 31 Dec	**2.7**
Book value 31 Dec 2021	**0.6**

MEUR	Intangible rights
Financial year 2020	
Acquisition cost 1 Jan	6.1
Increases	0.2
Transfers between items	
Acquisition cost 31 Dec	**6.3**
Accumulated depreciation, amortisation and impairment 1 Jan	4.0
Depreciation for the financial year	1.0
Accumulated depreciation 31 Dec	**5.0**
Book value 31 Dec 2020	**1.3**

6.13 Tangible assets

MEUR	Buildings	Machinery and equipment	Other tangible assets	Total
Financial year 2021				
Acquisition cost 1 Jan	0.5	0.1	1.2	1.8
Increases		0.0		0.0
Decreases	-0.5		0.0	-0.5
Acquisition cost 31 Dec	**0.0**	**0.2**	**1.1**	**1.3**
Accumulated depreciation 1 Jan	0.3	0.1	0.1	0.5
Accumulated depreciation in decreases	-0.3			-0.3
Depreciation for the financial year	0.0	0.0	0.1	0.1
Accumulated depreciation 31 Dec	**0.0**	**0.1**	**0.2**	**0.3**
Book value 31 Dec 2021	**0.0**	**0.0**	**0.9**	**1.0**
Balance sheet value of machinery and equipment 31 Dec 2021	0.0			
Financial year 2020				
Acquisition cost 1 Jan	0.5	0.1	1.0	1.7
Increases			0.2	0.2
Decreases			0.0	0.0
Acquisition cost 31 Dec	**0.5**	**0.1**	**1.2**	**1.8**
Accumulated depreciation 1 Jan				
Accumulated depreciation in decreases	0.3	0.1	0.1	0.5
Depreciation for the financial year	0.0	0.0	0.1	0.1
Accumulated depreciation 31 Dec	**0.3**	**0.1**	**0.1**	**0.5**
Book value 31 Dec 2020	**0.2**	**0.0**	**1.1**	**1.3**
Balance sheet value of machinery and equipment 31 Dec 2020	0.3			

6.14 Investments

MEUR	Shares in Group companies	Shares in associated companies	Shares, other	Total
Financial year 2021				
Acquisition cost 1 Jan	432.4	1.2	0.8	434.4
Increases	235.8	0.5	0.2	236.5
Decreases	-5.0		-0.7	-5.7
Transfers between items				
Acquisition cost 31 Dec	**663.2**	**1.6**	**0.3**	**665.2**
Accumulated depreciation, amortisation and impairment 1 Jan	127.6			127.6
Accumulated depreciation in decreases and transfers				
Impairment	5.6			5.6
Accumulated depreciation, amortisation and impairments 31 Dec	**133.2**			**133.2**
Book value 31 Dec 2021	**530.0**	**1.6**	**0.3**	**531.8**
Financial year 2020				
Acquisition cost 1 Jan	569.4	3.4	0.9	573.7
Increases	64.8	0.0	0.0	64.8
Decreases	-201.8	-2.3	-0.1	-204.1
Transfers between items				
Acquisition cost 31 Dec	**432.4**	**1.2**	**0.8**	**434.4**
Accumulated depreciation, amortisation and impairment 1 Jan	239.2	0.5	0.0	239.7
Accumulated depreciation in decreases and transfers	-111.7	-0.8	0.0	-112.5
Impairment		0.3		0.3
Accumulated depreciation, amortisation and impairments 31 Dec	**127.6**	**0.0**	**0.0**	**127.6**
Book value 31 Dec 2020	**304.9**	**1.2**	**0.8**	**306.8**

Parent company holdings in Group companies and associated companies

Company	Registered office	Holding %	Share of votes, %	Group holding %
Subsidiaries				
Alma Career Oy	Helsinki, Finland	100.00	100.00	100.00
Alma Media Suomi Oy	Helsinki, Finland	100.00	100.00	100.00
Alma Mediapartners Oy	Helsinki, Finland	100.00	100.00	100.00
Alma Talent Oy	Helsinki, Finland	100.00	100.00	100.00
Etua Oy	Helsinki, Finland	100.00	100.00	100.00
Karenstock Oy	Helsinki, Finland	100.00	100.00	100.00
Kotikokki.net Oy	Helsinki, Finland	65.00	65.00	65.00
Netello Systems Oy	Helsinki, Finland	60.00	60.00	60.00
Nettix Oy	Helsinki, Finland	100.00	100.00	100.00
Objektvision AB	Stockholm, Sweden	100.00	100.00	100.00
Rantapallo Oy	Helsinki, Finland	79.00	79.00	79.00
Associated companies				
Infostud 3 d.o.o.	Serbia	25.00	25.00	25.00
Kytöpirtti Oy	Seinäjoki, Finland	43.20	43.20	43.20
Suomen Tunnistetieto Oy	Turku, Finland	25.00	25.00	25.00

During the financial year 2021, Alma Media Corporation acquired the entire share capital of Nettix Oy and increased its shareholding to 100% in Alma Career Oy (previously 83.34%) and Etua Oy (previously 60%).

6.15 Receivables

MEUR	2021	2020
Current receivables		
Receivables from Group companies		
Loan receivables*	22.8	19.1
Prepaid expenses and accrued income	0.7	0.6
Total	23.4	19.7
Receivables from others		
Trade receivables	0.0	0.6
Other receivables	0.3	0.0
Prepaid expenses and accrued income**	3.2	2.6
Total	**3.6**	**3.2**
Current receivables, total	**27.0**	**23.0**

* Cash and cash equivalents in Group bank accounts are included in loan receivables.

** Major balances in prepaid expenses and accrued income consist of ICT purchase invoice accruals and the accrual of taxes for the financial year.

6.16 Shareholders' equity

MEUR	2021	2020
Restricted shareholders' equity		
Share capital 1 Jan	45.3	45.3
Share capital 31 Dec	45.3	45.3
Share premium reserve 1 Jan	119.3	119.3
Share premium reserve 31 Dec	119.3	119.3
Other reserves 1 Jan	5.4	5.4
Other reserves 31 Dec	5.4	5.4
Restricted shareholders' equity total	**169.9**	**169.9**
Non-restricted shareholders' equity		
Invested non-restricted equity fund 1 Jan	110.8	110.8
Invested non-restricted equity fund 31 Dec	110.8	110.8
Retained earnings 1 Jan	27.5	38.1
Cancellation of unpaid dividends	0.1	
Dividend payment	-24.7	-32.9
Acquisition of own shares	-1.1	-1.5
Disposal of own shares	0.5	1.1
Retained earnings 31 Dec	**2.2**	**4.7**
Profit for the period	32.1	22.8
Non-restricted shareholders' equity total	**145.0**	**138.3**
Total equity	**315.0**	**308.2**

MEUR	2021	2020
Calculation of the parent company's distributable funds on 31 December		
Invested non-restricted equity fund	110.8	110.8
Capitalised research and development costs	-0.2	-0.3
Profit from the previous year	2.2	4.7
Profit for the period	32.1	22.8
Total	**144.8**	**138.0**

6.17 Appropriations

MEUR	2021	2020
Difference between planned depreciation and depreciation made for tax purposes	0.2	0.2

6.18 Non-current liabilities

MEUR	2021	2020
Loans from credit institutions	200.0	
Other non-current liabilities	0.6	0.6
Total	**200.6**	**0.6**
Debt due after five years		
Other non-current liabilities		0.1

6.19 Current liabilities

MEUR	2021	2020
Trade payables	0.6	1.4
Total	**0.6**	**1.4**
Liabilities to Group companies		
Trade payables	0.0	0.0
Other liabilities	62.5	43.0
Accrued expenses and prepaid income		0.1
Total	**62.5**	**43.0**
To others		
Other current liabilities	0.6	2.8
Accrued expenses and prepaid income	3.3	4.5
Total	**3.9**	**7.2**
Current liabilities total	**67.0**	**51.7**

Most of accrued expenses and prepaid income consist of allocated employee expenses.

6.20 Commitments and contingencies

MEUR	2021	2020
Collateral for Group company's commitments		
Guarantees	2.5	2.5
Other own commitments		
Rental commitments – within one year	5.8	5.4
Rental commitments – after one year	25.1	28.9
Rental commitments total	30.9	34.3
Total		
Guarantees	2.5	2.5
Other commitments	30.9	34.3
Commitments total	**33.4**	**36.8**

Alma Media has a MEUR 30 committed financing limit at its disposal, which was entirely unused on 31 December 2021. The company also has a commercial paper programme of MEUR 100 in Finland. The commercial paper programme was unused on 31 December 2021.

6.21 Derivative contracts

MEUR	2021	2020
Commodity derivatives (electricity derivative)		
Fair value*		0.0
Nominal value		0.1
Interest rate derivative		
Fair value*	0.2	
Nominal value	50.0	

* The fair value represents the return that would have arisen if the derivative had been cleared on the balance sheet date.

Signatures to the report by the Board of Directors and the financial statements

The distributable funds of the Group's parent company totalled EUR 144,833,995 on 31 December 2021.

There were 82,383,182 shares carrying dividend rights.

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.35 per share (2020: EUR 0.30 per share) be paid for the financial year 2021. Based on the number of outstanding shares on the closing date 31 December 2021, the dividend payment totals EUR 28,774,470 (24,678,651).

No essential changes have taken place after the end of the financial year with respect to the company's financial standing. The proposed distribution of profit does not, in the view of the Board of Directors, compromise the company's liquidity.

Helsinki, 15 February 2022

Jorma Ollila
Chairman of the Board

Petri Niemisvirta
Deputy Chairman of the Board

Esa Lager
Board member

Catharina Stackelberg-Hammarén
Board member

Peter Immonen
Board member

Kai Telanne
President and CEO

Alexander Lindholm
Board member

AUDITOR'S NOTE

A report on the audit carried out has been submitted today.

Helsinki, 15 February 2022

PricewaterhouseCoopers Oy
Authorised Public Accountants

Niina Vilske
Authorised Public Accountant

Auditor's Report

To the Annual General Meeting of Alma Media Corporation

Report on the Audit of the Financial Statements

Opinion

In our opinion,

- the consolidated financial statements give a true and fair view of the Group's financial position and financial performance and cash flows in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU
- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements in Finland and comply with the statutory requirements.

Our opinion is consistent with the additional report to the Audit Committee.

What we have audited

We have audited the financial statements of Alma Media Oyj (Business ID 1944757-4) for the year ended 31 December 2021. The financial statements comprise:

- the consolidated balance sheet, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including a summary of significant accounting policies
- the parent company's balance sheet, income statement, statement of cash flows and notes.

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 the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

To the best of our knowledge and belief, the non-audit services that we have provided to the parent company and to the group companies are in accordance with the applicable law and regulations in Finland and we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014. The non-audit services that we have provided are disclosed in note 1.3.5 to the Financial Statements.

Our Audit Approach

Overview

Materiality	• We have applied an overall group materiality of MEUR 2.7
Group scoping	• We have audited the parent company and its subsidiaries in Finland, the Czech Republic and Slovakia
Key audit matters	• Changes in Group structure and their accounting treatment • Valuation of goodwill and intangibles with indefinite lives • Valuation of holdings in group companies i(parent company)

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where the management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

Materiality
The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They 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.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial statements as a whole.

Overall group materiality
MEUR 2.7

How we determined it
We used 5% of profit before tax to determine overall group materiality

Rationale for the materiality benchmark applied
We chose profit before tax as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users, and is a generally accepted benchmark. We chose 5%, which is within the range of acceptable quantitative materiality thresholds in auditing standards.

How we tailored our group audit scope
We tailored the scope of our audit, taking into account the structure of the group, the accounting processes and controls, and the industry in which the group operates.

We have performed audit procedures in the most significant subsidiaries in Finland, the Czech Republic and Slovakia. We have considered that the remaining subsidiaries don't present a reasonable risk of material misstatement for consolidated financial statements. .

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matter in the audit of the group

Changes in Group structure and their accounting treatment
Refer to accounting principles of the consolidated financial statements and notes 3.3, 4.2 and 4.3 in the consolidated financial statements.

Several changes have taken place in the Group structure in the financial year ended due to business combinations, the most significant being the acquisition of Nettix Oy. In addition, changes have taken place in the non-controlling interests due to acquisition of shares.

In business combinations, the assets and liabilities of the acquiree are measured at fair value at the date of the acquisition which requires management to make estimates.

The business combinations may include contingent considerations and obligation to redeem the shares of non-controlling interest. These require management estimation for the future profit development of the acquired company as well as the timing of the redemption.

Changes in Group structure and their accounting treatments is a key audit matter due to the high degree of management judgement involved in the accounting of the transactions.

How our audit addressed the key audit matter
Our audit procedures relating to changes in Group structure included:

- For business combinations we considered the purchase agreements, evaluated the

valuation and allocation principles of the assets and liabilities of the acquiree and their underlying assumptions used.
- We tested the technical accuracy of the purchase price allocations and the accuracy of the accounting entries in the consolidated financial statements for the business combinations..
- We evaluated the values and the proper accounting treatment of the contingent considerations and the redemption liabilities relating to the non-controlling interest.
- We assessed the adequacy and the appropriateness of the disclosures in the financial statements.

Valuation of goodwill and intangibles with indefinite lives

Refer to accounting principles of the consolidated financial statements and note 2.1. Intangible assets and goodwill.

On 31 December 2021, the Group's goodwill balance amounted to MEUR 294.5 and intangible rights with indefinite lives MEUR 59.4. Goodwill and intangible rights with indefinite lives are allocated to the cash-generating units.

The Company tests goodwill for potential impairment whenever there is an indication that the carrying value may be impaired and at least once a year. The impairment testing is carried out by comparing the recoverable amount against the carrying value of goodwill

The recoverable amounts are determined using the value in use model. Value in use calculations are subject to significant management judgement with respect to cash flows forecasts and discount rates.

Valuation of goodwill and intangible rights with indefinite lives is a key audit matter due to the significance of the balance sheet amount and the high degree of management judgement involved.

Our audit procedures included, for example, the following procedures:
- We assessed the methodology applied in the value in use calculation by comparing it to the requirements of IAS 36, Impairment of Assets, and testing the mathematical accuracy of calculations.
- We evaluated the process by which the future cash flow forecasts were determined for the value in use model and compared the forecasts to the budgets and strategic plans approved by the Board of Directors.
- We assessed the reasonableness of cash flow forecasts by comparing the accuracy of prior period revenue growth and operating profit forecasts to actual outcomes.
- We considered whether the sensitivity analysis performed by the management around key assumptions was appropriate.
- The discount rates applied within the model were assessed by PwC valuation specialists.
- We assessed the adequacy and the appropriateness of the disclosures in the financial statements.

Key audit matter in the audit of the parent company

Valuation of holdings in group companies

Refer to note 6.14 of the parent company's financial statements

On 31 December 2021 holdings in group companies in the parent company's balance sheet amounted to EUR 530,0 million. The parent company has accounted for a EUR 5,6 million impairment of holdings in group companies during the financial year.

The holdings in group companies are tested annually for impairment by comparing the recoverable amount against the book value of individual holding. The recoverable amounts are determined using the value-in-use model.

Valuation of holdings in group companies is a key audit matter due to the significance of the balance sheet amount and the high degree of management judgement involved.

How our audit addressed the key audit matter

Our audit procedures included, for example, the following procedures:
- We evaluated the process by which the future cash flow forecasts were determined for the value in use model and compared the forecasts to the budgets and strategic plans approved by the Board of Directors.
- We assessed the reasonableness of cash flow forecasts by comparing the accuracy of prior period revenue growth and operating profit forecasts to actual outcomes.
- We assessed the reasonableness of cash flow forecasts, for example, by comparing the accuracy of prior period revenue growth and operating profit forecasts to actual outcomes.

- The discount rates applied within the model were assessed by PwC valuation specialists.

There are no significant risks of material misstatement referred to in Article 10(2c) of Regulation (EU) No 537/2014 with respect to the consolidated financial statements or the parent company financial statements.

Responsibilities of the Board of Directors and the Chief Executive Officer for the Financial Statements

The Board of Directors and the Chief Executive Officer are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and 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 the statutory requirements. The Board of Directors and the Chief Executive Officer 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 Chief Executive Officer 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 to cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 Chief Executive Officer'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 parent company or the Group 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Reporting Requirements

Appointment

We were first appointed as auditors by the Annual General Meeting on 20 March 2014. Our appointment represents a total period of uninterrupted engagement of 8 years.

Other Information

The Board of Directors and the Chief Executive Officer are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. We have obtained the report of the Board of Directors prior to the date of this auditor's report and the Annual Report is expected to be made available to us after that date.

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 identified above 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. With respect to the report of the Board of Directors, 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
- 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 on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Helsinki, 15 February 2022
PricewaterhouseCoopers Oy
Authorised Public Accountants

Niina Vilske
Authorised Public Accountant (KHT)

Independent Auditor's Reasonable Assurance Report on Alma Media Oyj's ESEF Financial Statements (Translation of the Finnish Original)

To the Management of Alma Media Oyj

We have been engaged by the Management of Alma Media Oyj (business identity code 1944757-4) (hereinafter also "the Company") to perform a reasonable assurance engagement on the Company's consolidated IFRS financial statements for the financial year 1.1.2021-31.12.2021 in European Single Electronic Format ("ESEF financial statements"), version: almamedia-2021-12-31-fi.zip.

Management's Responsibility for the ESEF Financial Statements

The Management of Alma Media Oyj is responsible for preparing the ESEF financial statements so that they comply with the requirements as specified in the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 ("ESEF requirements"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of ESEF financial statements that are free from material noncompliance with the ESEF requirements, whether due to fraud or error.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express an opinion on the ESEF financial statements based on the procedures we have performed and the evidence we have obtained.

We conducted our reasonable assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information. That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the ESEF financial statements are free from material non-compliance with the ESEF requirements.

A reasonable assurance engagement in accordance with ISAE 3000 (Revised) involves performing procedures to obtain evidence about the ESEF financial statements compliance with the ESEF requirements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material noncompliance of the ESEF financial statements with the ESEF requirements, whether due to fraud or error. In making those risk assessments, we considered internal control relevant to the Company's preparation of the ESEF financial statements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, Alma Media Oyj's ESEF financial statements for the financial year ended 31.12.2021 comply, in all material respects, with the ESEF requirements.

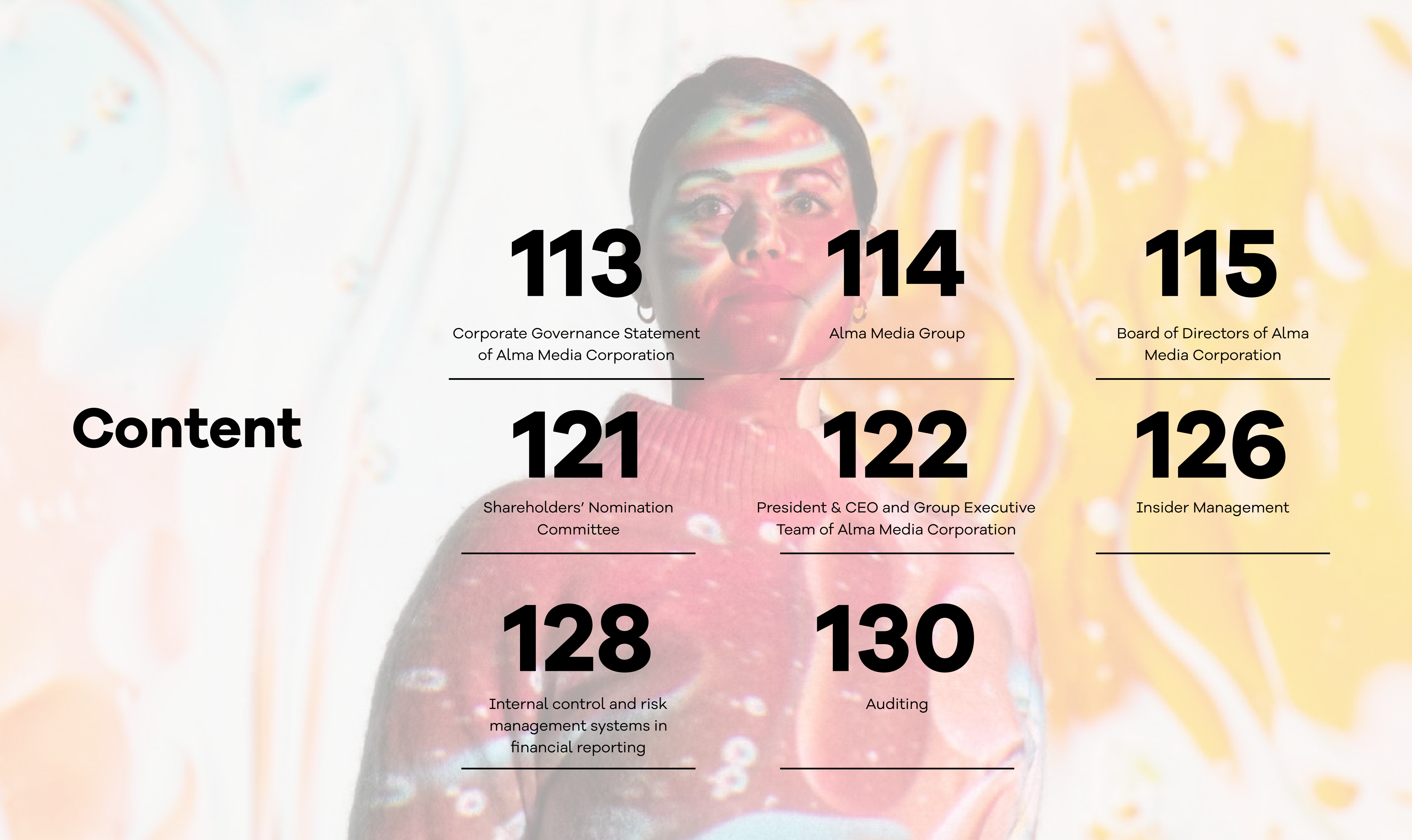
Our reasonable assurance report has been prepared in accordance with the terms of our engagement. We do not accept, or assume responsibility to anyone else, except for Alma Media Oyj for our work, for this report, or for the opinion that we have formed.

Helsinki
PricewaterhouseCoopers Oy
Authorised Public Accountants

Niina Vilske
Authorised Public Accountant (KHT)

CORPORATE GOVERNANCE STATEMENT

2021



Content

Corporate Governance Statement

In 2021, Alma Media Corporation applied the Finnish Corporate Governance Code 2020 for listed companies, which entered into force on 1 January 2020, 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

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: https://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

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.

Alma Media Corporation'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 governance 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.

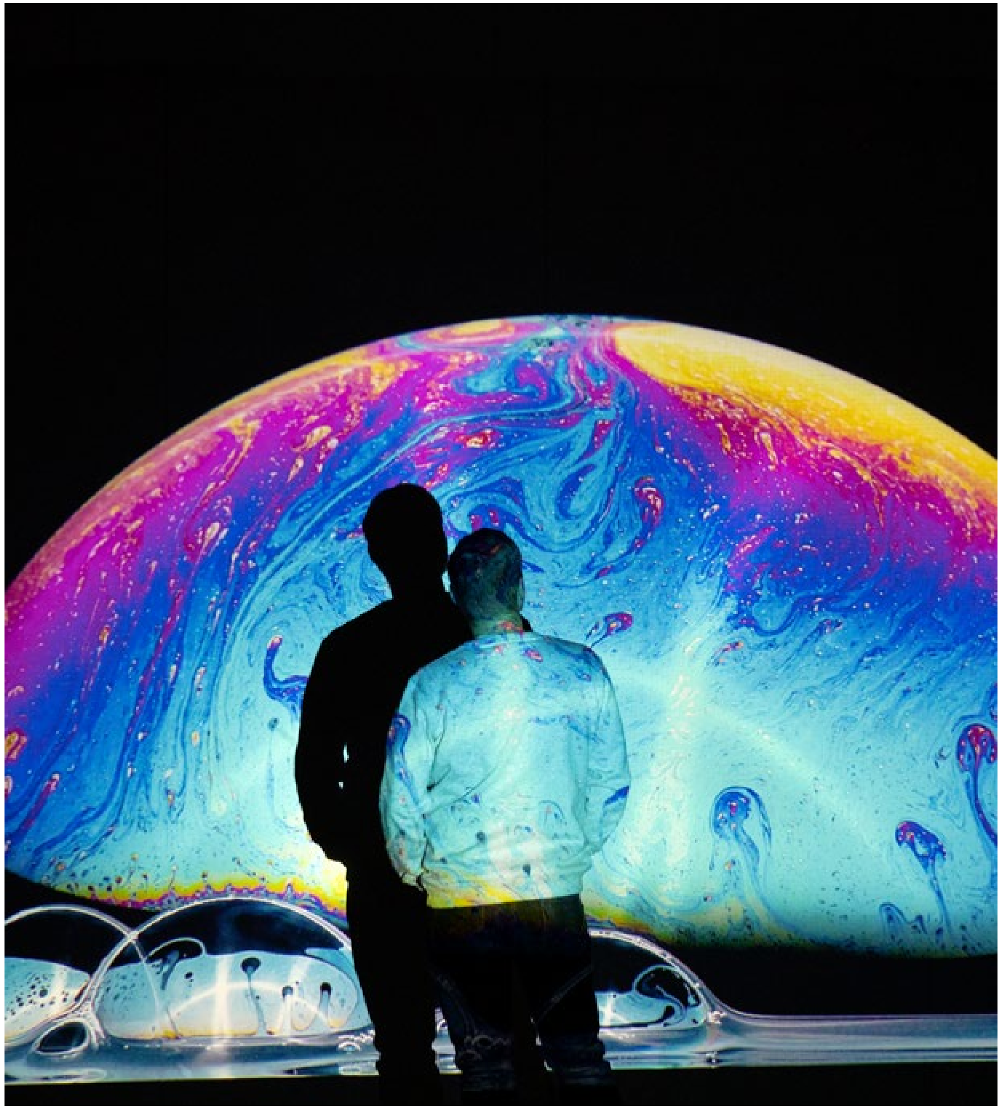
Alma Media Group has three reporting segments.

The Alma Career segment consists of the recruitment business and complementary services that respond to the needs of jobseekers and employers in 11 European countries.

The Alma Consumer segment includes the national afternoon paper Iltalehti, automotive and housing marketplaces and comparison services, as well as housing and automotive sales systems that serve companies in those industries. The Nettix business and Netello, which is a provider of digital marketing solutions, are also part of the Alma Consumer segment.

The Alma Talent segment publishes subscription-based financial and professional media and provides digital data, content and marketplace services for professionals and companies in various industries to support competence development and business growth.

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 Chair of the Board. There is no specific order of appointment of members of the Board. 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 at 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 2021 elected the following members to the Board of Directors: **Jorma Ollila**, **Peter Immonen**, **Esa Lager**, **Alexander Lindholm**, **Petri Niemisvirta**, **Catharina Stackelberg-Hammarén**. The Chair of the Board of Directors was Jorma Ollila and the Deputy Chair was Petri Niemisvirta.

Jorma Ollila

Born: 1950
M.Sc. (Soc.), M.Sc. (Econ.), M.Sc. (Eng.)
Finnish citizen

Chair of the Board of Directors

Member of the Board since 2019, member of the Nomination and Compensation Committee

Essential work experience
- Nokia Corporation: Chair of the Board, CEO, Chair of the Group Executive Board 1999–2006
- Nokia Corporation: President and CEO and Chair of the Group Executive Board 1992–1999
- Nokia Mobile Phones: President 1990–1992
- Nokia Corporation: CFO 1986–1989

Principal positions of trust
- TBG AG: member of the Board 2016–
- Perella Weinberg Partners Inc: member of the Board 2014–
- Miltton Group Oy: Chair of the Board 2015–
- The Finnish Innovation Fund Sitra: member of the Board 2020–
- Algorithmiq Inc.: Chair of the Board 2021–
- Tetra Laval Group: member of the Board 2013–2021
- Xinova LLC: Chair of the Board 2016–2021

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

Shareholding on 31 December 2021
20,448 Alma Media Corporation shares

Petri Niemisvirta

Born: 1970
LL.M.
Finnish citizen

Mandatum Life Insurance Company Limited and Mandatum Holding: Managing Director, member of the Group Executive Committee of Sampo plc
Deputy Chair 2019–, Chair 2018, Deputy Chair 2011–2018, member of the Board 2011–, member of the Audit Committee

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

Principal positions of trust
- Topdanmark A/S: member of the Board 2017–
- Kaleva Mutual Insurance Company: Member of the Board 2013–, Chair of the Board 2014–
- Varma Mutual Pension Insurance Company: Member of the Board 2014–
- Finance Finland (FFI): member of the Board 2019–, member of the Life Insurance Executive Committee 2021–, Chair 2019–2021, member 2017–2018, Chair 2015–2016, member 2011–2014, Chair 2007–2010
- Confederation of Finnish Industries EK, Finance and Tax Commission: member 2017–, Chair 2015–2016
- Enento Group: Chair of the Nomination Committee 2019–
- Mandatum Asset Management: Deputy Chair of the Board 2021–
- World Wide Fund for Nature, Finland, member of the Council 2018–2021

Independent of the company and its significant shareholders

Shareholding on 31 December 2021
25,436 Alma Media Corporation shares

Peter Immonen

Born: 1959
M.Sc. (Econ.)
Finnish citizen

WIP Asset Management Oy: Chair of the Board 2005–
Member of the Board 2018–, Chair of the Nomination and Compensation Committee

Essential work experience
- WIP Asset Management Oy: Chair of the Board 1995–2001 and 2005–, Managing Director 2002–2005

Principal positions of trust
- Mariatorp Oy: member of the Board 2015–
- Wipunen varainhallinta Oy: member of the Board 2005–
- Dasos Capital Oy: member of the Board 2010–
- Finsilva Oyj: member of the Board 2015–
- Stiftelsen Svenska Handelshögskolan, member of the Board 2019–
- Cargotec Corporation: member of the Board 2005–2021

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

Shareholding on 31 December 2021
4,305 Alma Media Corporation shares

Esa Lager

Born: 1959
LL.M., M.Sc. (Econ.)
Finnish citizen

Member of the Board since 2014, Chair of the Audit Committee

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

Principal positions of trust
- Stockmann Oyj: member of the Board 2017–
- SATO Oyj: member of the Board 2016–, Chair of the Board 2015–2016, Deputy Chair of the Board 2014–2015
- Ilkka-Yhtymä Oyj: member of the Board 2011–, Deputy Chair of the Board 2014–
- GRK Infra Oy: member of the Board 2020–
- Terrafame Oy: member of the Board 2015–2021

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

Shareholding on 31 December 2021
18,130 Alma Media Corporation shares

Alexander Lindholm

Born: 1969
BBA
Finnish citizen

Otava Group, CEO 2010–
Member of the Board 2018–, member of the Audit Committee

Essential work experience
- Yhtyneet Kuvalehdet /Otavamedia CEO 2008–2012
- Yhtyneet Kuvalehdet: Publishing Director 2005–2007
- Yhtyneet Kuvalehdet: Sales Director 2001–2004

Principal positions of trust
- Otava Ltd: member of the Board 2008–
- Yhtyneet Kuvalehdet Oy/Otavamedia Ltd, member of the Board/Chair 2008–
- Otava Publishing Company Ltd: Chair of the Board 2010–
- Suomalainen Kirjakauppa Ltd: Chair of the Board 2011–
- Kirjavälitys Oy: Chair of the Board 2013–
- Nettix Oy, Chair of the Board 2016–2021

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

Shareholding on 31 December 2021
4,305 Alma Media Corporation shares

Päivi Rekonen

Born: 1969
M.Sc. (Econ.), M.Sc. (Soc.Sci.)
Finnish citizen
(Member of the Board until 24 March 2021)

Independent strategy advisor 2018–
Member of the Board 2018–2021, member of the Audit Committee until 24 March 2021

Essential work experience
- UBS: Managing Director, Group Technology 2014–2018
- Adecco Group: Senior Vice President, Global Head of Digital Strategy 2011–2012
- Credit Suisse: Head of IT 2007–2009
- Cisco Systems: various leadership roles 1998–2007
- Nokia Corporation: various leadership roles 1990–1998

Principal positions of trust
- F-Secure Corporation: member of the Board 2017–
- Efecte Plc: member of the Board 2018–
- Konecranes Corporation: member of the Board 2018–
- UNOPS: member of Strategy Advisory Board 2018–
- SEBA Bank: Chair of the Board 2020–

Independent of the company and its significant shareholders

Shareholding on 24 March 2021
3,088 Alma Media Corporation shares

Catharina Stackelberg-Hammarén

Born: 1970
M.Sc. (Econ.)
Finnish citizen

Founder and Executive Chair, Marketing Clinic Oy
Member of the Board 2009–, member of the Nomination and Compensation Committee

Essential work experience
- Marketing Clinic Oy: Executive Chair 2019–
- Marketing Clinic Oy: CEO 2004–2019
- Coca-Cola Finland: Managing Director 2003–2004 and 2000–2002
- Coca-Cola AB: Managing Director 2002–2003
- Coca-Cola Nordic & Baltic Division: Marketing Director (Copenhagen) 2000
- Coca-Cola Finland: Consumer Marketing Manager 1996–2000
- Sentra plc: Marketing Manager 1994–1996

Principal positions of trust
- Marimekko Oyj: member of the Board 2014–
- Marketing Clinic Oy: member of the Board 2004–
- Scan Securities AB: member of the Board 1996–
- Royal Unibrew A/S: member of the Board 2019–
- Kojamo plc: member of the Board 2021–
- Purmo Group Oy: member of the Board 2021–

Independent of the company and its significant shareholders

Shareholding on 31 December 2021
25,996 Alma Media Corporation shares

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 Jorma Ollila, Peter Immonen, Esa Lager and Alexander Lindholm, 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. Peter Immonen is a member of the Board of Mariatorp Oy, Esa Lager is a member of the Board of Ilkka-Yhtymä Oyj, Alexander Lindholm is the CEO of Otava Group and Jorma Ollila has been a member of the Board of Otava Ltd. for ten consecutive years in 2019 (a relationship with a significant shareholder pursuant to Recommendation 10, item j of the Corporate Governance Code).

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 financial statements;
- approving strategically significant corporate and real estate acquisitions and disposals as well as investments according to separate investment instructions;
- deciding on Alma Media Corporation's capital financing programmes and operations according to a separate treasury policy;
- approving Alma Media Corporation's dividend policy and submitting a dividend proposal to the General Meeting of Shareholders;
- annually reviewing the main risks associated with the company's operations and the management of these risks; if necessary, giving 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;
- making decisions on such activities within the inner circle that are not part of the company's regular activities or which diverge from normal commercial conditions;
- considering other matters that the Chair 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 Chair of such a matter;
- representing the company and entitling individuals to represent the company, as well as deciding on procurations;
- approving the principles concerning the donation of sums to good causes.

The Board's Charter is available in full on the Alma Media website: 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. Part of the meetings are focused on strategy, and at these meetings the Board discusses the Group's future scenarios and confirms the strategy for each strategy period. In 2021, the Board met 11 times. The attendance of each member is shown in the table.

Name	Role	Attendance at Board meetings
Jorma Ollila	Chair	10/10
Petri Niemisvirta	Deputy Chair	11/11
Peter Immonen	Member	11/11
Esa Lager	Member	11/11
Alexander Lindholm	Member	10/10
Päivi Rekonen	Member until 24 March 2021	3/3
Catharina Stackelberg-Hammarén	Member	11/11

Assessment of the Board's performance

In 2021, 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

The members of the Audit Committee shall have the expertise and experience required for the duties of the Committee, and at least one member shall have special expertise in accounting or auditing. As a whole, the Audit Committee must possess sufficient expertise and experience in the tasks of the Audit Committee as well as the company's operating environment. 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 Chair for the Committee. The Audit Committee meets at least four times a year.

As of 24 March 2021, the members of the Audit Committee were **Esa Lager**, **Alexander Lindholm**, and **Petri Niemisvirta**. **Esa Lager** was the Chair 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; evaluating and monitoring the financial reporting process and financial statements reporting, including compliance with financial statements standards; monitoring the auditing process; approving, in accordance with the principles confirmed by the company's Board of Directors, or giving advance authorisation to the Chair 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 Audit Committee is required to process the company's central approval and operational instructions for investments and funding, for example. In addition, the Audit Committee monitors processes and risks related to IT security and processes any messages received through the Group's ethical reporting – the whistleblowing channel.

The Audit Committee also monitors and evaluates the independence of the auditor and, in particular, the auditor's provision of non-audit services.

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

The Audit Committee convened five times in 2021. The attendance of each member is shown in the table below.

Name	Role	Attendance at Audit Committee meetings
Esa Lager	Chair	5/5
Alexander Lindholm	Member	5/5
Petri Niemisvirta	Member	5/5
Päivi Rekonen	Member until 24 March 2021	3/3

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 at least three members, who elect a Chair for the Committee. On 24 March 2021, **Jorma Ollila** and **Catharina Stackelberg-Hammarén** were elected as members of the Nomination and Compensation Committee, with **Peter Immonen** elected as Chair.

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

The Nomination and Compensation Committee convened twice in 2021 to consider matters according to its Charter. The attendance of each member is shown in the table below.

Name	Role	Attendance at Nomination and Compensation Committee meetings
Peter Immonen	Chair	2/2
Jorma Ollila	Member	2/2
Catharina Stackelberg-Hammarén	Member	2/2

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 Chair from among their number.

More information on the members of the Shareholders' Nomination Committee of Alma Media Corporation in 2021 is presented in the table.

The Shareholders' Nomination Committee convened twice during its term of office in 2021–2022: in November 2021 and January 2022. All members of the Nomination Committee attended both meetings. On 25 January 2022, the Shareholders' Nomination Committee issued a proposal to the Annual General Meeting to be held on 29 March 2022.

Name	Role
Henrik Ehrnrooth Born: 1954, B.Sc. (Forest Econ.), M.Sc. (Econ.) Chair of the Board of Directors, Otava Oy Member of the Board, ÅF Pöyry AB Shareholding on 31 December 2021: 0 Alma Media Corporation shares	Chair
Timo Aukia Born: 1973, M.Sc. (Econ.) Managing Director, Timo Aukia Oy & Jaakko Aukia Oy Shareholding on 31 December 2021: 5,246 Alma Media Corporation shares	Member
Peter Immonen Born: 1959, M.Sc. (Econ.) Chair of the Board of Directors, WIP Asset Management, member of the Board of Directors of Mariatorp Oy Shareholding on 31 December 2021: 4,305 Alma Media Corporation shares	Member
Timo Sallinen Born: 1970, M.Sc. (Econ.) Head of Listed Securities, Varma Mutual Pension Insurance Company Shareholding on 31 December 2021: 0 Alma Media Corporation shares	Member
Jorma Ollila Born: 1950, Master of Science degree in Political Science (University of Helsinki), M.Sc. Economics (London School of Economics), M.Sc. in Engineering (Helsinki University of Technology) Chair of the Board of Directors, member of the Board since 2019, member of the Nomination and Compensation Committee Shareholding on 31 December 2021: 20,448 Alma Media Corporation shares	Expert member

President & CEO and Group Executive Team of Alma Media Corporation

The President and CEO of Alma Media Corporation is Kai Telanne, M.Sc. (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 2021 comprising Kari Kivelä (Senior Vice President, Alma Consumer), Vesa-Pekka Kirsi (Senior Vice President, Alma Career), Juha-Petri Loimovuori (Managing Director, Alma Talent), Tiina Järvilehto (Senior Vice President, Alma Media Solutions), Santtu Elsinen (CDO), Virpi Juvonen (Senior Vice President, Human Resources), Mikko Korttila (General Counsel), Elina Kukkonen (Senior Vice President, Communications and Brand) and Juha Nuutinen (CFO). 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 convened 20 times in 2021.

Kai Telanne

Born: 1964
M.Sc. (Econ.)

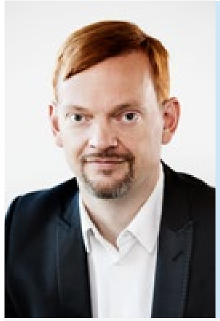
President and CEO, Chair of the Group Executive Team

In the current position 2005–
Member of the Group Executive Team 2005–

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
- Teleste Corporation: Member of the Board 2008–
- Tampere Chamber of Commerce & Industry: Member of the Board 2018–

Shareholding on 31 December 2021
224,044 Alma Media Corporation shares



Santtu Elsinen

Born: 1972
B.Sc.-level studies in Economics

Chief Digital Officer (CDO)

In the current position 2016–
Member of the Group Executive Team 2016–

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: Chair of the Board of Directors 2000–, CEO 2011–, Business Development Director 1998–2005, Creative Director 1997–1998
- 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: Member of the Board 2016–
- Digia Oyj: Member of the Board 2018–
- Finnmedia, Chair of the Technology team 2019–
- Finnish Authentication Cooperative: Chair of the Board 2021–

Shareholding on 31 December 2021
18,230 Alma Media Corporation shares and 10,100 shares via Winterfell Capital Oy

Virpi Juvonen

Born: 1963
M.Sc. (Soc.)

Senior Vice President, Human Resources

In the current position 2013–
Member of the Group Executive Team 2012–

Essential work experience
- Alma Media Corporation: Acting Senior Vice President, Human Resources, December 2012–April 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–

Shareholding on 31 December 2021
29,918 Alma Media Corporation shares

Tiina Järvilehto

Born: 1970
M.Sc. (Econ.)

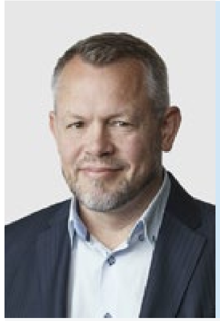
Senior Vice President, Alma Media Solutions

In the current position 2015–
Member of the Group Executive Team 2017–

Essential work experience
- Alma Media Corporation: Senior Vice President, Alma Media Solutions 2015–
- Kauppalehti Ltd: 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
Finnish Periodical Publishers' Association: Member of the Board 2018–

Shareholding on 31 December 2021
30,378 Alma Media Corporation shares



Vesa-Pekka Kirsi

Born: 1969
BA

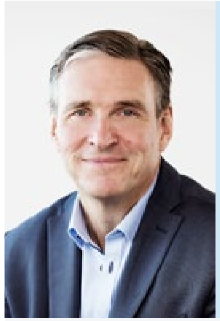
Senior Vice President, Alma Career

In the current position 2021–
Member of the Group Executive Team 2019–

Essential work experience
- Fonecta Ltd.: Business Unit Director, B2B business unit, and member of the executive management team 2016–2019, Fonecta Markets, Vice President and member of the executive management team 2011–2016
- Openbit Oy/Tanla Solutions Ltd.: Vice President, Sales 2008–2011
- Nokia Corporation: Head of Nokia Games Publishing 2004–2007, Senior Manager Games Application Forum Nokia 2002–2004
- Riot Entertainment Ltd: Head of Product Development and Publishing Director 2000–2002
- Hewlett-Packard Oy: Program Manager 1998–2000
- Dava Ltd: Product Marketing Manager 1996–1998

Principal positions of trust
- Treamer Oy: member of the Board 2020–
- Bolt Group Oy: member of the Board 2021–

Shareholding on 31 December 2021
0 Alma Media Corporation shares



Kari Kivelä

Born: 1959
M.Sc. (Soc.), MBA

Senior Vice President, Alma Consumer

In the current position 2018–
Member of the Group Executive Team 2005–

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

–

Shareholding on 31 December 2021
53,577 Alma Media Corporation shares

Mikko Korttila

Born: 1962
Master of Laws, Master of Laws trained on the bench, eMBA

General Counsel, Legal Affairs, M&A and Corporate Development

Secretary to the Board of Directors of Alma Media Corporation
In the current position 2007–
Member of the Group Executive Team 2008–

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: Chair, member 2008–
- International Chamber of Commerce, Finnish Committee: Member of certain working groups 2006–
- Securities Market Association, Member of the Takeover Board 2019–
- Finnish Media Federation (Finnmedia): Member of the Media Policy Group 2007–2021

Shareholding on 31 December 2021
34,900 Alma Media Corporation shares

Elina Kukkonen

Born: 1970
Doctor of Business Administration DBA (KTT)

Senior Vice President, Communications and Brand

In the current position 2017–
Member of the Group Executive Team 2017–

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
- Media Industry Research Foundation of Finland: Member of the committee for labour market issues 2019–

Shareholding on 31 December 2021
9,403 Alma Media Corporation shares

Juha-Petri Loimovuori

Born: 1964
M.Sc. (Econ.)

Managing Director, Alma Talent Oy

In the current position 2016–
Member of the Group Executive Team 2006–

Essential work experience
- Alma Media Corporation: Director, Kauppalehti Group, 2006–2015
- Alma Media: Director, Media Sales 2004–2006
- Kustannus Oy Aamulehti: Director, Media Sales 2002–2006

Principal positions of trust
- Finnmedia: member of the Board, Chair of the committee for labour market issues 2017–

Shareholding on 31 December 2021
54,771 Alma Media Corporation shares

Juha Nuutinen

Born: 1972
M.Sc. (Econ.)

Chief Financial Officer

In the current position 2012–
Member of the Group Executive Team 2012–

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, APA (as of December 2000) 1996–2003

Principal positions of trust
-

Shareholding on 31 December 2021
41,405 Alma Media Corporation shares

Insider Management

Alma Media Corporation's Board of Directors approved Alma Media Group's current Guidelines for Insiders on 14 December 2020. 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 Chair of the Board and the Deputy Chair, 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 to the result of the Alma Media Group as a whole.

Alma Media Corporation uses an ethical reporting channel, Alma-Whistleblow, which is intended for employees and third parties to report suspected incidents of criminal activity and misconduct that cannot, for some reason, be communicated directly to Alma Media's responsible persons or if the person submitting the report wishes to remain anonymous. The whistleblowing channel can also be used to report suspected violations of securities market regulations.

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

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

Related party transactions

The Group's parent company, subsidiaries, associated companies and joint ventures included in Alma Media's related parties. Pursuant to IAS 24, the Group's related parties consist of its Board of Directors, the CEO and the Deputy CEO of the parent company and the managing directors of the major subsidiaries as well as the other executives of the Group and the Group's key shareholders who exercise control or significant influence over the decision-making processes relating to the finances and business of the parent company or significant subsidiary. The close family members of the aforementioned persons are also considered to be related parties of the Group. The related parties also include Alma Media shareholders who own more than 20 per cent of the Group's shares or the total number of votes carried by the Group's shares.

The Group maintains a record of its related parties in order to identify transactions with related parties. Transactions with related parties are monitored using the Group's reporting system. Related party transactions that are not part of the ordinary course of the Group's business or are not carried out on an arm's length basis are subject to a decision by the Board of Directors. Related party transactions and the nature of their terms is assessed on a case-by-case basis and in relation to the Group's ordinary course of business and the arm's length principle as well as the industry's generally observed and accepted market practices.

To organise the identification, reporting and monitoring of related party transactions, the Board of Directors has assigned the Audit Committee to monitor transactions by the Group's management and their related parties and any potential conflicts of interest involved therein. The Audit Committee monitors and evaluates the degree to which contracts and other legal transactions between the Group and its related parties comply with the legal requirements for being part of the ordinary course of business and being conducted on an arm's length basis. The CEO reports all related party transactions to the Audit Committee annually. The Group has issued guidelines for the members of the Group Executive Team on the identification of related party transactions and they are obligated to notify the Group in advance of any contracts and legal transactions they plan to carry out with Group companies.

The Group reports any transactions with related parties annually in its Report by the Board of Directors and the notes to the financial statements in accordance with the Limited Liability Companies Act and the legislative provisions governing the preparation of financial statements. The Group publishes related party transactions in the manner stipulated by the Securities Market Act, the rules of the stock exchange and the Market Abuse Regulation.

Alma Media completed the acquisition of Nettix Oy from Otava Group in spring 2021. The transaction was announced on 5 March 2021 and closed on 1 April 2021. The purchase price for the acquired business was MEUR 171.2. There are no additional purchase price components included in the transaction. Otava Oy is Alma Media's largest shareholder.

Alma Media Corporation sold its shareholding in KPK Yhtiöt Oyj (formerly Keski-Pohjanmaan Kirjapaino Oyj) to Ilkka-Yhtymä. The transaction concerned the 24,379 series A shares held by Alma Media Corporation, corresponding to 5.6 per cent of KPK Yhtiöt Oyj's share capital and 0.5 per cent of votes.

During the financial year, Alma Media did not have other material related party transactions that deviated from the Group's normal business operations or were not made on market or market equivalent terms.

Internal control and risk management systems in financial reporting

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 purposes of internal control include providing sufficient certainty 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 administration monitors and gives guidance regarding internal control measures and practices, based on the Group's operating principles and guidelines. The financial administration, 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 monitoring the profitability of business operations. The Group's internal control practices ensure the correctness of financial reporting within the Group. Risks related to financial reporting are managed with the help of the Group's accounting manual, finance and investment policy, acquisition guidelines and internal control.

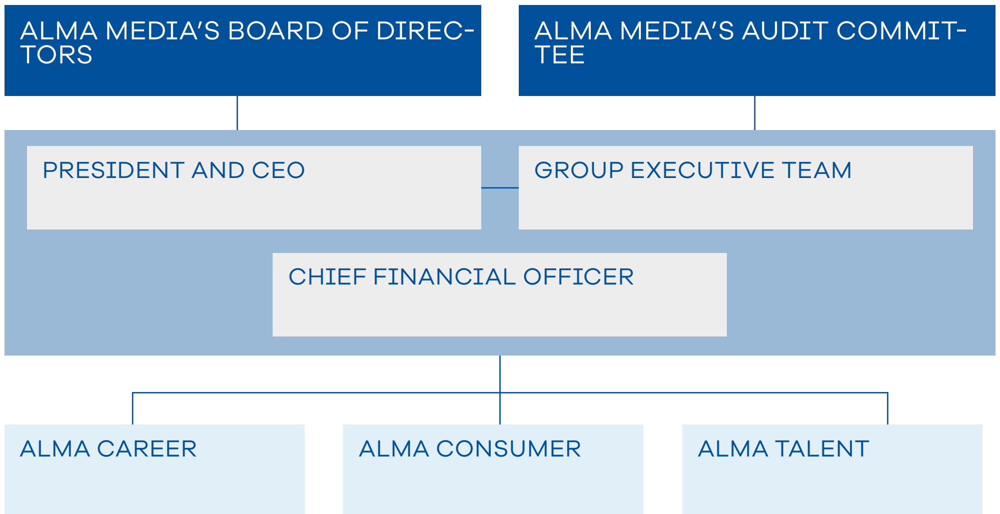
Alma Media Group follows the International Financial Reporting Standards (IFRS) approved for use within the European Union. Guidelines for financial reporting and accounting principles are collected in an accounting manual that is updated as standards change, as well as the financial department guidelines that are applied in all Group companies. Group accounting is responsible for the monitoring and observance of the financial reporting standards as well as maintaining financial reporting principles and communicating them to the business units.

Risk management

Risk management is part of Alma Media Corporation'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 and threats and to manage 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 discuss-

Alma Media's internal control and risk management organisation



es the management reports on significant risks and the company's exposure to them and it 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 Corporation's internal control and, thus, is part of good corporate governance. Alma Media sets limits 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.

Alma Media's most significant strategic risks are related to significant changes in media consumption among consumers, rapid changes in the existing business models of marketplaces, cyber risks and violations of information security and data protection.

An increasingly important source of competitive advantage, but also a strategic risk, in Alma Media's business is the ability to use customer data to improve the product and service offering for advertisers and to enrich end-user services. Alma Media manages customer data and behavioural data, taking regulatory requirements into consideration, by centralising customer data repositories and deploying analysis and activation technology. Potential restrictions concerning the use of third-party cookies could create uncertainty factors, at least temporarily, related to digital advertising sales.

The regulation of the media sector and the related market practices is becoming stricter.

The changes in the operating environment and the rapid technological development require continuous investments in employee competence and development. One significant strategic risk is the availability of highly competent IT specialists for demanding product development projects.

A further risk to Alma Media's business is the potential decline in digital audiences, as well as a potential permanent decrease in digital advertising sales and listing advertising.

The continuation of the widespread pandemic may have a significant impact on the demand for services on the one hand and, on the other hand, it can cause substantial production disruptions in business processes due to significant risks related to employee health.

The most significant operational risks are disturbances of information technology and communications as well as interruptions in daily news production.

The strategic, operational and financial risks related to Alma Media's business and the actions taken to mitigate them are described in more detail in the Report by the Board of Directors. Financial risks are also described in more detail in the notes to the consolidated financial statements.

Internal audit

In Alma Media Group, 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 test the effectiveness of processes and the controls included in them. Internal auditing is carried out by means of monitoring reports as well as separate reviews.

Auditing

The General Meeting of Shareholders annually elects an auditor and deputy auditor for the Group. An auditing firm can also be appointed as the auditor. If an auditing firm that is entered in the register of auditors of the Finnish Patent and Registration Office (PRH) and whose key audit partner is an Authorised Public Accountant is appointed the auditor, no deputy is required.

The term of office of the auditors expires at the close of the next 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 Corporation audit the accounting and governance 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 and Audit Committee in conjunction with the publication of each interim report and the annual financial statements. In addition, the auditors provide a separate report on any observations concerning the audit of the financial year to the Group's financial management and the Audit Committee.

Alma Media Corporation's Annual General Meeting 2021 elected Authorised Public Accountants PricewaterhouseCoopers Oy as the company's auditors, with Niina Vilske, 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 2021 amounted to EUR 232,000. In addition, the auditing firm PwC charged the Group a total of EUR 127,000 in fees for other services in the 2021 financial year, including, among other things, advisory services related to reporting on corporate responsibility. PwC has served as the Group's auditor since 2014.

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REMUNERATION REPORT

2021

Content

From the Chairman

Dear shareholders

This remuneration report for the Group's governing bodies has been produced in compliance with the EU Shareholder Rights Directive (SHRD) and the Finnish Corporate Governance Code 2020 for listed companies.

Alma Media continued its renewal in 2021. In the spring, the Group closed its largest-ever acquisition by acquiring Nettix, the leading marketplace for motor vehicles. In addition, the Group acquired full ownership of Alma Mediapartners and Alma Career, and the product portfolio was expanded in digital housing transactions as well as advertising and recruitment business technologies, and the revised segment structure entered into effect. The Group's strategic focus continued to shift even more clearly to the development of digital and international business.

Business development in 2021 was again affected by the COVID-19 pandemic and the measures taken by the public authorities in the Group's operating countries to prevent its spread. As a whole, however, the economic uncertainty caused by the pandemic decreased compared to the first year of the pandemic in 2020 and the Group's revenue showed a substantial recovery. Alma Media's business and profitability grew broadly, driven particularly by the recruitment business, advertising sales and marketplaces, but also by the media business.

Alma Media's incentive schemes emphasise the reconciliation of the interests of the executives and the interests of Alma Media's shareholders, engaging the commitment of the executives through long-term share ownership and thereby increasing the company's shareholder value in the long term.

The Annual General Meeting 2021 kept the fees of the Board of Directors unchanged.

During the past few years, the key criteria for the short-term incentive bonuses of the President and CEO have been the development of the Group's profitability, i.e. adjusted operating profit, and digital business growth targets. Alma Media's long-term incentive scheme, in turn, is based on the total shareholder return of the company's share and the growth of digital business. The rewards are paid in Alma Media shares.

Variable remuneration components, i.e. short-term and long-term incentives, represent a significant proportion of the remuneration of Alma Media's President and CEO. This ensures a strong alignment between the implementation of the Group's strategy and the President and CEO's remuneration, as the targets set for the short-term and long-term incentive systems are directly linked to Alma Media's business development.

The total remuneration paid to Alma Media's President and CEO in 2021, including pension contributions (supplementary pension + statutory pension), amounted to EUR 1,410,619, with variable remuneration components representing 31 per cent of the total.

Peter Immonen
Chairman of the Nomination and Compensation Committee

Key remuneration principles

In accordance with its strategy, Alma Media builds sustainable growth by taking advantage of the opportunities presented by the digital transformation. The objective is to increase shareholder value through revenue growth and improved profitability. Alma Media is developing and expanding its current business operations and seeking growth opportunities in new businesses and markets. The company's Remuneration Policy and remuneration systems are aimed at promoting the Group's long-term financial success, competitiveness and the development of shareholder value.

The remuneration of the members of the Board of Directors at Alma Media must be competitive to ensure that the Board of Directors consists of members with sufficient expertise to carry out the duties of the Board of Directors, which include, among other things, deciding on the company's strategy and monitoring its implementation.

The remuneration schemes concerning the company's President and CEO are based on the principle of achieving the Group's strategic objectives defined and confirmed by the Board of Directors as well as the principle of improving the company's result. The incentive schemes emphasise the reconciliation of the interests of the executives and the interests of Alma Media's shareholders, engaging the commitment of the executives through long-term share ownership and thereby increasing the company's shareholder value in the long term.

The remuneration principles include the promotion of a performance-based operating culture, offering competitive compensation for development that promotes the implementation of strategy and the achievement of targets. Alma Media's remuneration principles and processes are transparent, clear and consistent.

Alma Media's Annual General Meeting confirmed the Remuneration Policy of Alma Media's Governing Bodies, prepared in accordance with the Corporate Governance Code 2020 for Finnish listed companies and the EU amendment directive concerning shareholder rights (SHRD II), in the spring 2020. The Remuneration Policy is available in full on Alma Media's website at https://www.almamedia.fi/en/investors/governance/remuneration.

Deviation from Alma Media's Remuneration Policy and clawback of remuneration in 2021

Temporary deviations from Alma Media's Remuneration Policy may be made if such a deviation is necessary to ensure the long-term interests of Alma Media. The assessment may take into account, among other things, the company's long-term financial success, competitiveness, ensuring the undisrupted continuation of business and the development of shareholder value.

Deviations from the Remuneration Policy concerning the President and CEO shall be prepared by the Board's Nomination and Compensation Committee and decided on by the Board of Directors. If there are grounds for temporary deviation, the deviation may concern any component or aspect of remuneration.

There were no deviations from the Remuneration Policy in 2021. There were also no circumstances that would have given cause for the Group to exercise its right to claw back or cancel paid or unpaid incentives.

Comparison figures on the remuneration of the management and employees and Alma Media's financial performance 2017–2021

Alma Media's businesses achieved excellent development and profitability improved as the economy recovered in Finland and the Group's other operating countries in 2021. Revenue grew broadly across the Group's businesses, with digital advertising and recruitment seeing very strong demand in particular.

The annual fees of the Board of Directors were increased in 2019 after they had gone unchanged since 2016.

The remuneration schemes concerning the company's President and CEO are in line with the updated long-term targets and they are based on the principle of achieving the Group's strategic objectives, digital business growth and improving the Group's result.

These criteria are also reflected in the short-term and long-term remuneration of the President and CEO. The remuneration of the President and CEO is closely aligned with the principle of performance-based remuneration.

The development of the remuneration of the Board of Directors and the President and CEO compared to the average remuneration of the Group's employees and the Group's financial performance for the past five financial years:

EUR	2017	2018	2019	2020	2021
Average fees paid to a member of the Board of Directors	40,329	54,733	56,571	54,014	49,533
Basic salary + benefits paid to the President and CEO (excluding pension benefits)	495,519	473,735	511,777	523,853	552,988
Year-on-year change, %	0.0%	-4.4%	8.0%	2.4%	5.6%
Total remuneration paid to the President and CEO	449,162	654,621	600,004	1,246,306	442,390
Year-on-year change, %	130.3%	46.7%	-8.3%	107.7%	-64.5%
Average employee salary*	51,339	50,633	50,242	49,523	53,257
Adjusted operating profit (MEUR)	41.7	49.9	49.3	45.4	61.1
Digital business growth, %	17.3	8.7	3.7	-4.7	33.9
Share price (end of the year)	7.19	5.54	7.96	8.92	10.82
Dividend	0.24	0.35	0.40	0.30	0.35

Other employee expenses and dividing this figure by the average number of employees for the year excluding telemarketers.

The comparison figures illustrate the salaries and fees paid during each financial year. The bonuses based on short-term and long-term incentive schemes are always paid in the year following the performance period. For example, the figures for 2020 are based on the short-term incentive scheme's performance period 2019 and the long-term incentive scheme's performance period 2015–2020.

Remuneration of the Board of Directors in 2021

The members of the Board of Directors of Alma Media Corporation are not in an employment relationship with the company. The compensation received by the members of the Board of Directors from the company is limited to compensation related to membership of the Board of Directors and its committees and their work on the Board of directors. The members of the Board of Directors are not included in Alma Media's share-based incentive schemes or the company's other incentive schemes.

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 per cent 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. The acquired shares cannot be transferred until the recipient's membership on the Board has ended. If it is not possible to acquire the shares by the end of each year for a reason such as pending insider transactions, the annual remuneration shall be paid in cash.

The meeting fees of the members of the Board of Directors are paid in cash.

The Annual General Meeting 2021 kept the fees of the Board of Directors unchanged and, in accordance with the proposal of the Shareholders' Nomination Committee, resolved on the annual fees of the Board of Directors as follows:

- To the Chair of the Board of Directors, EUR 62,500 per year; to the Vice Chair, EUR 40,000 per year, and to the other members EUR 32,500 per year.
- In addition, the Chair of the Board of Directors and the Chair of the Audit Committee will be paid a fee of EUR 1,500, the Chair of the Nomination and Compensation Committee a fee of EUR 1,000, the Deputy Chairs of the committees a fee of EUR 700 and members a fee of EUR 500 for those Board and Committee meetings that they attend.
- The travel expenses of Board members will be compensated in accordance with the company's travel policy.

The above-mentioned attendance fees for each meeting are

- doubled for (i) members living outside Finland in Europe or (ii) meetings held outside Finland in Europe; and
- tripled for (i) members resident outside Europe or (ii) meetings held outside Europe.

In the financial year 2021, the fees paid to the Board members totalled EUR 297,200. All fees paid to the Board members during the financial year 2021 were in accordance with Alma Media's Remuneration Policy.

Fees paid to the members of the Board of Directors for their work on the Board and its committees in 2021 (EUR)

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			
2021	Jorma Ollila	Chairman	62,500	2,342	15,000		1,000	78,500
2021	Petri Niemisvirta	Deputy Chairman	40,000	1,499	7,700	2,500		50,200
2021	Peter Immonen	Member	32,500	1,217	5,500		2,000	40,000
2021	Esa Lager	Member	32,500	1,217	5,500	7,500		45,500
2021	Alexander Lindholm	Member	32,500	1,217	5,000	2,500		40,000
2021	Päivi Rekonen	Member until 24 March 2021	-	-	3,000	1,000		4,000
2021	Catharina Stackelberg-Hammarén	Member	32,500	1,217	5,500		1,000	39,000

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

Remuneration of the President and CEO in 2021

The total remuneration of Alma Media's President and CEO in 2021, including pension benefits (supplementary pension + statutory pension), amounted to EUR 1,410,619. Short-term and long-term incentive bonuses paid in 2021 represented 31.4 per cent of the total remuneration of the President and CEO, while the fixed annual salary including pension benefits (statutory pension and supplementary pension) represented 68.6 per cent. The remuneration of the President and CEO in 2021 was in accordance with Alma Media's Remuneration Policy.

According to the Remuneration Policy, the fixed remuneration includes basic salary, benefits and supplementary pension contributions. The variable remuneration consists of a short-term incentive (STI) bonus scheme related to the achievement of short-term financial and operational targets and long-term remuneration schemes (LTI).

The supplementary pension contribution of the President and CEO's fixed annual salary is 37% of the annual salary, which is calculated by adding a computational share of 50% of the maximum incentive to the overall salary. The President and CEO has the right to retire at the age of 60. No other financial benefits were paid to the President and CEO in 2021.

Variable remuneration components:

Short-term remuneration

The main elements of the short-term incentive bonus scheme of Alma Media's President and CEO were based on two criteria: Meeting Alma Media Group's financial targets concerning adjusted operating profit (weight 60%), digital business growth (weight 20%) and the achievement of strategic objectives (weight 20%) for each calendar year.

The maximum remuneration payable to the President and CEO under the short-term incentive scheme is 66 per cent of the annual basic remuneration. In addition to the earning opportunity based on the incentive scheme, the President and CEO may be eligible for one-off project bonuses based on, for example, key development projects, projects relating to significant changes in Group structure or M&A transactions or other one-off projects or arrangements as determined by the Board of Directors on a case-by-case basis.

The rate of achievement of the targets of the President and CEO's short-term incentive scheme was 35 per cent in 2020 and the bonus of EUR 117,384 was paid in March 2021. The rate of achievement of the targets was 100 per cent in 2021 and the bonus of EUR 345,424 will be paid in March 2022.

		Variable remuneration components		Pension benefits	
	Fixed annual salary (including taxable fringe benefits)	Short-term incentive bonuses paid for the year 2020	Share-based incentive bonuses paid	Supplementary and statutory pension contributions	Total
President and CEO	552,988	117,384	325 006*	415,241	1,410,619

* The share-based incentive bonus (LTI) was paid on 11 March 2021. The number of earned shares under the incentive scheme was 34,000 and the average share price on the payment date was 9.559.

Variable remuneration components:

Long-term remuneration

The President and CEO's long-term incentive structure consists of share-based incentive schemes (LTI 2015 and LTI 2019). Dividing the maximum incentive reward over the measurement period on average, the maximum incentive reward based on the LTI schemes is limited to 95 per cent of the President and CEO's fixed annual salary. The measurement period is five years for the LTI 2015 scheme and three years for the LTI 2019 scheme.

On 11 March 2021, the President and CEO was paid share-based incentive bonuses under three different incentive schemes (LTI 2015 I, LTI 2015 III, LTI 2015 IV). The gross number of shares received by the President and CEO based on the incentive schemes was 34,000 shares, corresponding to EUR 325,006 (average rate 9.559 on the payment date).

In accordance with the Board of Directors' recommendation concerning share ownership, the President and CEO is expected to retain ownership of at least half of the net shares received through the company's share-based incentive schemes until the total value of the Alma Media shares held corresponds to at least one year's fixed gross annual salary. The long-term incentive bonus is subject to a transfer restriction and the President and CEO can only transfer the shares pursuant to the terms and conditions of the incentive scheme.

	2015 III TSR	2015 IV TSR	2015 IV (Matching plan)	2019 MSP	2020 MSP	2021 MSP	TOTAL
Maximum	36,000	36,000	36,000	135,000	120,000	126,000	489,000 shares
Performance indicators	Total shareholder return (TSR)	Total shareholder return (TSR)	Digital growth	Digital growth (50%), total shareholder return (TSR) (50%)	Digital growth (33%), EPS (33%), total shareholder return (TSR) (33%)	Digital growth (33%), EPS (33%), total shareholder return (TSR) (33%)	
Performance period	2017–2021	2018–2022	2018–2019, 2021	2019–2021	2020–2022	2021–2023	
Year of payment	2022	2023	2022	2022	2023	2024	

Verification of the Remuneration Report

The auditing firm PricewaterhouseCoopers Oy, which served as Alma Media's auditor for the financial year 2021, has verified that the legally required disclosures are included in this Remuneration Report.

SUSTAINABILITY REPORT

2021

Contents

We inspire sustainable choices

Our sustainability work is a reflection of its time and now an even more integrated part of our operations. The importance of our mission of boosting the sustainable growth of individuals, companies and society was emphasised even further in the second year of the global COVID-19 pandemic. We listened to our employees carefully and ensured that our working environment is safe and healthy.

We have been implementing our strategy based on the digital transformation for two decades already. While only six per cent of our revenue was from digital operations in 2005, by last year, this percentage had increased to as much as 77 per cent. Our journey has improved our profitability while also changing our climate profile to a significantly more low-carbon one.

We updated our science based climate targets to even more ambitious ones. We committed to reducing the greenhouse gas emissions arising from our own operations (Scope 1 and 2) by 46 per cent and those arising from its subcontracting chain (Scope 3) by 14 per cent by 2030. In order to minimise our carbon footprint, we focus on further strengthening the environmentally sustainable impacts of our operations as well as on reducing emissions in our subcontracting chain. Besides setting ambitious climate targets for ourselves, we challenge all our service providers to do so as well.

Our most significant impact on society comes from our journalistic media. They increase societal awareness and understanding and provide practical examples of sustainable solutions for companies and individuals. Our media reach millions of Finns every week and almost one million professionals in their work. As the leading provider of services related to housing, automotive and recruitment services, we have a responsibility to lead by incorporating sustainable development into our digital services and helping our customers make increasingly sustainable choices in their lives.

In 2021, we specified the key focus areas of Alma Media's sustainability programme for the coming years. At the same time, we conducted an extensive materiality analysis in order to identify the key expectations our stakeholders have with regard to our operations. In the expectations of our stakeholders, efficient climate work to reduce emissions, high business ethics, data security in the use of our services, employee well-being and competence development as well as responsible media were highlighted. We specified measurable objectives for our sustainability work. These objectives are now a part of our employee incentive system as well.

Our values, sustainability objectives and operating principles are reflected in our work in 2022 as well, guiding our daily work. We hope that our cooperation partners also get excited and commit into cooperation in order to promote sustainable development ambitiously, comprehensively and efficiently.

Welcome to read our sustainability report for 2021!

Kai Telanne
President and CEO

Sustainability year 2021

JOURNALISM SUPPORTING SUSTAINABLE DEVELOPMENT

Iltalehti and our financial and professional media increased public awareness of environmental matters by publishing news and examples of practical solutions towards sustainable development.

Kauppalehti was the first media in Finland to offer Sustainalytics' ESG Risk Ratings to its subscribers.

NEW SUSTAINABLE CHOICES

The Nettix acquisition brought more choice for consumers and introduced the circular economy services into our offering.

DIAS sped up the digitalisation of real estate transactions, and Suomen Tunnistetieto, Doks, joined the Alma family to ensure that our customer companies fulfil the requirements of the money laundering regulations in transactions.

Netello supplemented our digital marketing services.

WE INVESTED ON DATA PRIVACY AND DATA SECURITY

We continued the further development of data security in our services in 2021 and were meticulous about privacy protection.

We were not subject to any serious data breaches or violations of privacy protection.

We regularly trained our employees on the processing of data, data privacy and data security.

WE TAKE CARE OF OUR EMPLOYEES

We ensured that our employees had a healthy and safe working environment and listened closely to their wishes.

We added flexibility by introducing the multi-locational working model.

We developed the competence and leadership of Alma's employees through numerous training and coaching programmes.

WE COMMITTED TO THE 1.5°C TARGET

We updated Alma Media's SBTi target. Alma Media commits to reducing the greenhouse gas emissions arising from its own operations (Scope 1 & 2) by 46% and from its subcontracting chain by 14% by 2030.

Our target is in line with the global limit value for global warming, 1.5 degrees Celsius.

WE UPDATED OUR SUSTAINABILITY PROGRAMME

We specified the key focus areas of Alma Media's sustainability programme for the coming years. We conducted an extensive materiality analysis amongst our stakeholders to support our strategy work.

We developed our socially and environmentally aware operations, competence and new ESG-based products and services.

Alma Media's sustainability programme

SUSTAINABLE ALMA MEDIA AND SUSTAINABLE BRANDS

PROFITABLE GROWTH AND HIGH BUSINESS ETHICS

The profitability of operations is a prerequisite for our sustainable growth. We expect high integrity and ethics of ourselves and our cooperation partners and do not accept violations of human rights, discrimination, harassment or corruption.

8 DECENT WORK AND ECONOMIC GROWTH · 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE · 17 PARTNERSHIPS FOR THE GOALS

FUTURE-FIT WORKFORCE

We promote the diversity of our work community and the realisation of experiences of equality and participation.

We provide development opportunities for our skilled employees.

4 QUALITY EDUCATION · 5 GENDER EQUALITY · 8 DECENT WORK AND ECONOMIC GROWTH

ENVIRONMENTAL RESPONSIBILITY

We minimise the greenhouse gas emissions of our own operations and our subcontracting chain.

We set an example of the transition to low-carbon digital business in the media sector.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION · 13 CLIMATE ACTION · 17 PARTNERSHIPS FOR THE GOALS

RESPONSIBLE MEDIA, JOURNALISM AND MARKETING

We take responsibility for our contents, correct any errors and defend the freedom of speech.

Reliable, pluralistic and independent journalism is a precondition for functional democracy in our society.

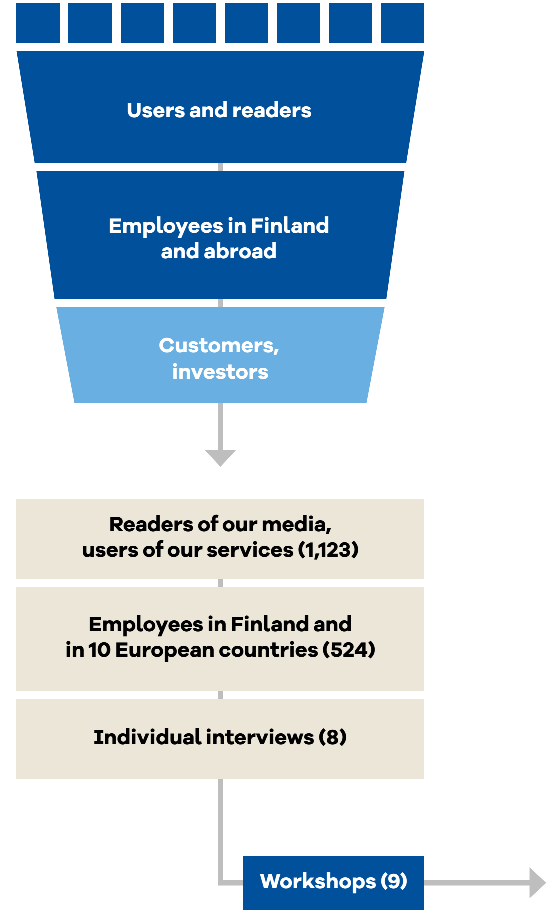
8 DECENT WORK AND ECONOMIC GROWTH · 16 PEACE, JUSTICE AND STRONG INSTITUTIONS · 17 PARTNERSHIPS FOR THE GOALS

RESPONSIBLE SERVICES AND MARKETPLACES

We develop new products and services and use data responsibly. Our automobile, housing, education and recruiting brands allow sustainable choices in business operations and private consumption.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE · 11 SUSTAINABLE CITIES AND COMMUNITIES · 17 PARTNERSHIPS FOR THE GOALS

Materiality analysis



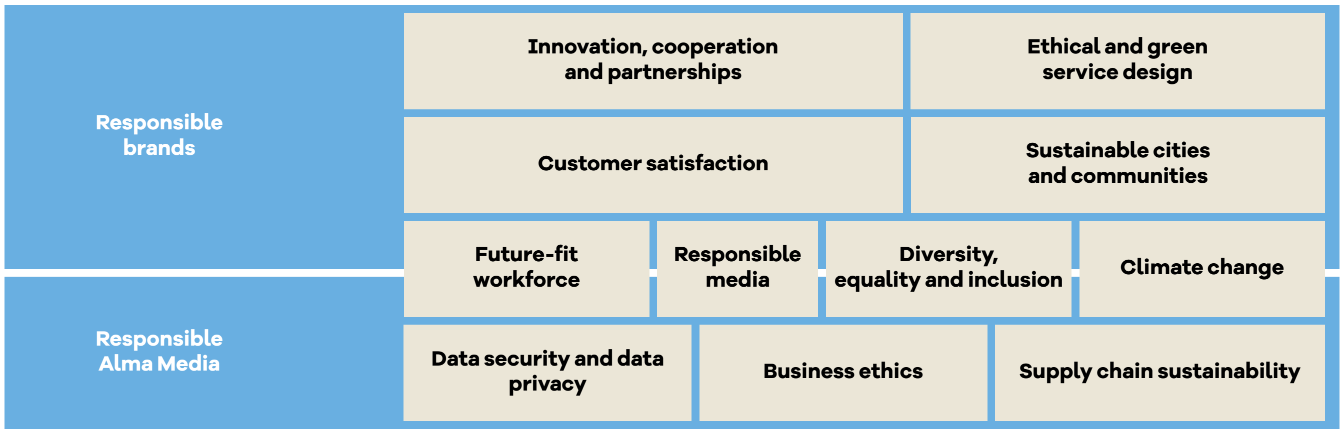
Alma Media updated its materiality analysis in autumn 2021 to identify the expectations its key stakeholders have towards sustainability work. The analysis was based on an extensive stakeholder survey, sector analyses, interviews of individuals and workshops for employee groups.

Over 1,000 readers of our media and users of our services as well as over 500 Group employees responded to the survey in October–November 2021. In addition, we organised several internal discussion forums and nine workshops with internal and external specialists in order to determine the objectives of Alma Media's corporate sustainability programme. The materiality analysis led to the definition of 11 sustainability priorities for Alma Media. These 11 focus areas were inspected at two levels: sustainable Alma Media and sustainable brands.

All the stakeholders found that Alma Media's transformation to digital media was a positive thing and recognised the Group's earlier sustainability work. The importance of data security and data privacy for Alma Media, the responsible processing of customer data and sustainability in the development of new business were highlighted in the stakeholder responses.

From the perspective of social sustainability, the Group's key focus areas include the well-being of employees, competence development, career opportunities and the equal treatment of employees.

From the environmental perspective, our stakeholders felt that the positive environmental impact of products and services as well as the environmental efficiency of Alma Media's own operations were the most important subjects.



Stakeholder interaction

Alma Media updated its materiality analysis in 2021 based on an extensive stakeholder survey, individual interviews and sector analysis as well as workshops.

Stakeholder	Form of interaction	Matters most relevant for the group of stakeholders
Employees	• Online survey to all employees • Workshops and discussion forums with different employee groups	• Employee well-being, appreciation and equal treatment • Competence development and support for career opportunities • Profitable and stable business • Sustainability in the development of new products and services • Reliable and fair management communications • Code of Conduct and anticipation of risks
Readers, users, consumers	• An online survey for the readers and users of the biggest media and websites	• Reliability of information, journalistic integrity and accuracy of contents • Promoting societal discussion and freedom of speech • Preventing misleading and false advertising • Observing the laws and regulations in the collection and processing of personal data • Taking care of the data security and data privacy of services • Responsible processing and utilisation of customer data
Customers, advertisers	• Operational analyses of the most relevant customer industries for our revenue and individual interviews with representatives of the companies	• Good environmental risk management • Emphasising social sustainability and good governance in Alma's international business • Ensuring competent workforce in the digital transformation • Ensuring the ethics of advertising and the brand safety of our own advertising platforms
Investors, shareholders, analysts	• Analyst interviews	• Market environment and competitive landscape, objectives, reporting, strategy and financial position • Adequate and balanced sharing of financial and non-financial information about the Group • Responding to increasingly tight sustainability requirements • Alma Media's sustainability story as a part of the equity story • Building sustainable business growth
Suppliers, subcontractors	• Interviews with the managers of key purchasing sectors (printing, delivery and ICT)	• Fair and equal treatment, equitable, open and transparent supplier requirements • Alma Media's procurement policy and Code of Conduct for suppliers • Cooperation to minimise greenhouse gas emissions in the partner network
Media	• Desktop analysis and interviews of the Editors-in-Chief of the biggest media	• Responsible journalism and marketing, high quality of data • Data privacy and data security according to thelaws and regulations • Openness, transparency and proactivity in the offering of information • Accuracy of contents • Quick response and replying to enquiries
Society and the authorities	• Sector and desktop analysis	• Observing the laws and regulations in the collection and processing of personal data • Taking care of the data security and data privacy of services • Responsible processing and utilisation of customer data

The UN Global Compact initiatives relevant for Alma Media

The UN Global Compact initiatives cover the global challenges shared by us all. Alma Media is committed to supporting sustainable growth in society, for companies and for individuals, and based on our materiality analysis, we have included nine UN Global Compact targets in our updated sustainability programme that are linked to our possibilities of influence.

We focus on the competence development of our employees and support personal career development by providing many kinds of training and coaching. Our book and training offering enable our professionals to learn more about, for instance, data privacy, risk management, communications, the law or the environment and construction.

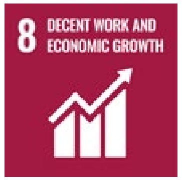
Our media report on sustainable development innovations, the financial results obtained with them and the latest research. They also publish examples of solutions related to sustainability in companies. We support the generation of innovations in the Alma Media organisation by developing an agile, open and interactive corporate culture and a team spirit.

The carbon footprint of our own operations was already small, and we have cut it in half within the past five years. We set an example in the industry of the transition to low-carbon society. We continue to minimise our own environmental impacts and encourage our subcontracting chain to commit to our climate targets.

Our media increase awareness and understanding of the importance of equal working life in society. We offer equal opportunities for development for all, and we cherish gender equality, the development of diversity and our participation in our work community.

We provide opportunities for sustainable choices in our housing marketplaces, services for industry professionals and digital real estate transactions that allow promoting sustainable development in the sector in cooperation with industry operators. We bring together the service providers in the value chain and the consumers in an ecosystem where value is created through synergies.

Reliable, pluralistic and independent journalism is a precondition for functional democracy in society. Our media cherish peace and fairness, use investigative journalism to examine the ethically sustainable operations of those in power and do not hesitate to expose any injustices.



Our financial and professional media focus on the promotion of sustainable financial growth in companies and in society. Alma Media has approximately 1,500 employees, and it is an employer and a taxpayer in 11 European countries. In cooperation with different operators in society, our recruiting services build a bridge between young people and the working life, develop the abilities of young people for the future working life and promote the employment of people with reduced work ability.

Our media publish news about the environmental impacts of different industries and increase awareness of sustainable choices in consumption decisions. We seek to maximise the positive environmental impacts of our operations and inspire consumers into making sustainable choices. The environmental search criteria of our digital housing and automobile services enable choosing energy-efficient housing or a low-emission vehicle.

Our media and services are widely connected to companies operating in the housing, HR and automobile industries, for example. Numerous sustainable development projects bring us together with our customers in 11 European countries. We are careful when choosing cooperation partners for Alma Media and require that our subcontractors commit to socially and ethically sustainable business operations.

SUSTAINABLE ALMA MEDIA

Management of corporate sustainability

Alma Media's sustainability efforts are guided by the Group's core values as well as the UN Sustainable Development Goals (SDG) that are the most relevant to Alma Media's business:

Quality education (UN Sustainable Development Goal 4) and Gender equality (Goal 5), Decent work and economic growth (Goal 8), Industry, innovation and infrastructure (Goal 9), Sustainable cities and communities (Goal 11, related to the Group's significant business in the Finnish housing market), Responsible consumption and production (Goal 12, related to the ability of consumer media and services to affect the choices made by consumers), Climate action (Goal 13), Peace, justice and strong institutions (Goal 16, related to the media's operations as an institution in society) and Partnerships for the goals (Goal 17, related to Alma Media's ability to make an impact on environmental matters and the sustainable development of the society in cooperation with its extensive partner network).

Alma Media develops its responsibility in compliance with the legislation governing business activities and the media industry. The development of corporate responsibility is guided by the company's policies, guidelines and commitments as well as guidelines defined by external parties that are significant to the Group's operations.

- Code of Conduct
- The corporate sustainability programme and its targets
- Disclosure policy
- Insider guidelines
- Procedures for related party transactions
- Data security policy
- Data privacy guidelines and principles
- Tax policy
- Investment and financing policy
- Procurement policy
- Equality and non-discrimination principles and equality and diversity plans
- Career development principles
- Remuneration principles and remuneration policy
- Contractual terms and terms of sale concerning the advertising customers of Alma Media's media sales
- The Board of Directors' diversity policy
- The Group's climate targets based on the Science Based Targets initiative

Guidelines created by external parties:

- The Council for Mass Media Guidelines for Journalists and basic agreement
- The marketing rules of the International Chamber of Commerce
- Principles concerning good marketing practices
- Europe-wide self-regulation of targeted online advertising (OBA self regulation)
- Guidelines by the IAB digital marketing network, including the IAB Europe Transparency & Consent Framework v2.0 (TCF)
- The UN Global Compact initiative and the UN Sustainable Development Goals

MANAGEMENT OF RESPONSIBILITY AT ALMA MEDIA

Alma Media's Board of Directors discusses corporate sustainability matters, for example, when assessing the risks related to the business and when approving the Group's statement of non-financial information. The Group Executive Team manages the development of responsibility and is in charge of the Group's responsibility strategy and the implementation of the objectives in the business units and in the Group operations. Business unit management and key employees in the Group's procurement function, HR management, legal department and ICT are responsible for the practical implementation of the responsibility programme. The progress of the sustainability programme in the Group Executive Team is coordinated by the SVP and the team of communications and brand. Business functions are supported in the setting of objectives and achieving sustainability targets, as well as communications.

MANAGEMENT OF RISKS RELATED TO SUSTAINABILITY

Alma Media's risk management is described more comprehensively in the Report by the Board of Directors that also covers responsibility risks, whose significance is assessed both in financial terms and in terms of the potential damage caused to the Group's reputation if the risk were to materialise. The Group communicates its sustainability risks and challenges related to the development of corporate sustainability transparently in its stakeholder communications.

STAKEHOLDER INTERACTION

Interaction with various stakeholders, employees, customers, investors and cooperation partners is a natural and important part of Alma Media's business. Alma Media also manages its stakeholder relationships by being involved in cooperative bodies and associations. The Group's most significant memberships include the Confederation of Finnish Industries EK, the Central Chamber of Commerce, the Finnish Media Federation (Finnmedia), the digital marketing and advertising growth-promoting organisation IAB Finland, the FIBS corporate responsibility network, the City of Helsinki Climate Partners network and the Responsible Media Forum. The goal is to engage in equal dialogue with other parties and to anticipate changes related to the industry and corporate sustainability.

In addition to these, many members of Alma Media's Group Executive Team and managers and experts hold board memberships in the Media Industry Research Foundation of Finland, Finnish Media Federation, the Finnish Periodical Publishers' Association and Media Metrics Finland. Alma Media is also a member of INMA (International News Media Association) and ICMA (International Classified Marketplace Association). Alma Media's most important social partner during the year under review was the Finnish Children and Youth Foundation, with which the Group has a key partnership agreement. As a media company, it is important for Alma Media to maintain its independence and impartiality with respect to various stakeholder interests.

Business ethics

Alma Media does not condone the use of unethical business practices by its employees or suppliers.

The Group condemns corruption and bribery. These and other key ethical operating principles are documented in Alma Media's Code of Conduct. The Code of Conduct forms the basis of the Group's responsible approach to business. Digital learning materials pertaining to the Code of Conduct are included in the induction training of employees. Subcontractors are trained and informed of Alma Media's Code of Conduct and responsibility programme in an appendix to supplier agreements. Alma Media does not receive or grant political or other contributions that could compromise its independence. Alma Media's media brands grant discounts on advertising to non-profits and non-governmental organisations as well as parties and candidates in election advertising, but the terms of the discounts are the same for everyone. Alma Media's employees and stakeholders have access to an anonymous whistleblowing channel for reporting any observations of misconduct.

Table 1: Business ethics

Definition	Progress	Definition
Alma Media does not condone the use of unethical business practices by its employees or suppliers, condemns corruption and bribery as well as requires commitment to the Group's Code of Conduct.	We implemented Alma Media's updated Code of Conduct training course for our employees in 11 languages in 11 European countries.	Alma Media does not condone the use of unethical business practices by its employees or suppliers, condemns corruption and bribery and requires commitment to the Group's Code of Conduct.
Strategic intent:		**Strategic intent:**
Alma Media's employees and subcontractors have taken the Group's Code of Conduct training and committed to observing it in everything they do.		There are no violations of the Group's Code of Conduct amongst the company's employees or its subcontracting chain.
Objectives for 2021		**Objectives for 2022**
Alma employees in all the countries of operation take the updated Code of Conduct training.	By the end of 2021, 90% of Alma employees have taken the Group's updated Code of Conduct training.	All Alma employees in all 11 countries complete the updated Code of Conduct training.
The subcontracting chain is committed to observing Alma Media's Code of Conduct.	Alma Media required its key subcontractors to provide documentation about the sustainable production of their products and services. Alma Media decided to implement the new Code of Conduct training for subcontractors in 2022.	50% of Alma Media's key subcontractors have committed themselves to taking the Code of Conduct training.
The Whistleblow channel is made available to third parties as well as to Alma Media employees.	The Whistleblow channel was opened to parties outside the Group as well in 11 languages.	The Whistleblow channel informs the company of any potential misconduct in the Group.
There are no incidents of corruption, bribery or human rights violations in the Group or in its subcontracting chain.	There were no incidents of corruption or anti-competitive behaviour at Alma Media in 2021. There are also no investigations related to Alma Media by the authorities in progress at present.	Risk management will be improved further by reviewing the risk profile in Alma Media's operating areas and, if necessary, communications and training will be enhanced.

Alma Media's whistleblowing team receives the notifications and reports them to the Audit Committee of the Board of Directors. Violations of the Code of Conduct result in the necessary measures and, if necessary, the termination of employment. The Group's executive management is responsible for the regulatory compliance, ethicality and transparency of business operations.

ALMA MEDIA'S TAX FOOTPRINT IN 2021

Alma Media reports its tax footprint annually to ensure the transparency of its operations. The Group's tax policy is to pay taxes in the country where the result is generated. The Group complies with the current legislation, tax instructions and international transfer pricing guidelines in its operations.

The corporate income tax rates in Alma Media's operating countries vary from 15 per cent in Latvia and Lithuania to 21 per cent in Slovakia. Alma Media did not receive any subsidies from public or private sources in the review year.

The value creation model on page 22 of the Report by the Board of Directors describes the added value created by Alma Media to its stakeholders.

ACHIEVEMENT OF SUSTAINABILITY TARGETS IN 2021

Alma Media has a zero tolerance policy for unethical business conduct. The Group reports annually on whether any such incidents have occurred. In the review year, the Group was made aware of one (1) case of potential violation of the company's Code of Conduct through the Whistleblow channel. This suspicion was cleared after an investigation, but the internal processes of the company in question were clarified further.

Alma Media's business is built on the foundation of consumer and advertiser trust in the Group's content and services, and the company's credibility as an independent, reliable and responsible operator must not be compromised.

There were no incidents of corruption or anti-competitive behaviour at Alma Media in 2021.

There are also no investigations by the authorities in progress at present. During the year under review, Alma Media was not the subject of any reprimands from the authorities or rulings pertaining to non-compliance with laws and regulations governing social and economic responsibility. As a result, there were no financial losses arising from legal action. Alma Media's services are the leading services in their segments in many of the Group's countries of operation and they are also perceived as attractive employers. They support economic activity in their communities by paying taxes and purchasing products and services from their subcontractors.

OTHER DEVELOPMENT PROJECTS DURING THE YEAR

During the year under review, 90% of Alma Media's employees in Finland and abroad completed the renewed Code of Conduct training. The Code of Conduct addresses legal compliance, the disclosure of information, conflicts of interest, gifts, anti-bribery and operating practices pertaining to employees, human rights and the environment. The Code of Conduct also addresses stricter regulations concerning topics such as data privacy, anti-money laundering legislation and the prevention of tax evasion. At the same time, the significance of workplace diversity and inclusivity is underscored. Risk management, monitoring and reporting processes were developed by introducing an external Whistleblower channel for reporting potential misconduct.

FOCUS AREAS FOR THE DEVELOPMENT OF SUSTAINABILITY IN 2022

In 2022, the Group's subcontractors will be committed to a course in the Code of Conduct covering Alma Media's supplier relationships. The goal is to get at least 50% of the Group's most significant subcontractors to take the new Code of Conduct training. Furthermore, risk management will be improved by reviewing the risk profile in Alma Media's operating areas, and if necessary, communications and training will be enhanced.

Climate change

Based on its materiality assessment of sustainability, Alma Media has determined that the Group's strategic decision to invest in digital business has mitigated its short-term and medium-term risks related to climate change. The progress of the digital transformation of the Group's business reduces the greenhouse gas emissions of its own operations and its subcontracting chain, while the transition to a low-carbon society creates business opportunities and improves resource efficiency.

Digital sources now represent approximately 77 per cent of Alma Media's business, or approximately MEUR 212. For over a decade now, the Group has implemented a strategy based on the controlled digital transformation of its business. The regional media business, which relies on print products, was divested during the period 2015–2021. At the same time, the Group has systematically invested in new digital services, most recently by acquiring the Nettix services in 2021. During the past five years, Alma Media has halved the greenhouse gas emissions arising from its own operations. The production and distribution of digital content and services is not only more environmentally friendly but also more cost-efficient compared to print products. The Group's annual capital expenditure under the digital business model amounts to MEUR 3–4. The transition from print to digital was a significant factor affecting the Group's improved profitability in 2016–2021. The production of digital content and services involves substantially lower consumption of materials and electricity compared to the print business. The cloud services and telecommunication services used for data management in Alma Media's Finnish operations are produced primarily from renewable energy or the emissions are compensated. The increasingly digital business model allows Alma Media to be more resource-efficient, enables more environmentally friendly choices for consumers and contributes to promoting the circular economy through its services and content.

MANAGEMENT OF ENVIRONMENTAL RESPONSIBILITY

Alma Media updated its climate objectives in November 2021. They cover the greenhouse gas emissions of Alma Media's own operations (Scope 1 and 2) as well as those of its subcontracting chain (Scope 3). The targets are in line with the Science Based Target initiative, which means that the Group is committed to the initiative that aims to limit climate warming globally to at most 1.5°C. Alma Media is committed to reducing its absolute Scope 1 and Scope 2 greenhouse gas emissions by 46 per cent by 2030 compared to 2019, the last year preceding the pandemic. Emission reduction efforts are particularly targeted at reducing emissions from company cars, electricity, district heating and district cooling. Alma Media is also committed to reducing greenhouse gas emissions in its subcontracting chain (Scope 3) by 14 per cent, focusing on the reduction of emissions from the printing of publications and the purchasing of logistics services, for example. The carbon footprint of Alma Media's own operations is small, and only four per cent of the greenhouse gases arising from the Group arise in the Group's own operations (Scope 1 and 2), while 96 per cent arise in the subcontracting chain.

In 2016, Alma Media was the third media company in the world to establish science-based climate targets. The validation of the SBTi target updated in autumn 2021 is pending approval by the Science Based

1.5 DEGREES SBTi TARGET

Greenhouse gas emissions arising from the Group's own operations

- Scope 1: direct emissions from the Group's own sources and sources controlled by it
- Scope 2: indirect emissions of purchased energy

46% reduction, 4.3% per year
(from 2019 to 2030)

Renewable energy

Renewable fuels, electric cars and reducing the consumption of fuel

Greenhouse gas emissions arising from the subcontracting chain

- Scope 3: other indirect emissions arising from the production and delivery of the end product

14% reduction, 1.2% per year
(from 2019 to 2030)

Renewing the product selection

Carbon neutral logistics

Low-carbon services

Creating supplier commitment to the emission targets

Targets organisation. Alma Media's Board of Directors and Group Executive Team monitor the company's progress towards the environmental sustainability targets specified in the sustainability programme. Business unit management and function-specific key persons, such as the specialists responsible for procurement and spatial design, operate under the executive directors. Alma Media's business units were not subject to any penalties or reprimands for non-compliance with environmental laws and regulations in their operating countries during the year under review.

ACHIEVEMENT OF SUSTAINABILITY TARGETS IN 2021

According to Alma Media's SBTi targets set in 2016, the Group aims to reduce its greenhouse gas emissions arising from the consumption of electricity, district heating and district cooling (Scope 2) and the emissions arising from fuel consumption (Scope 1) by 21% by 2025. Indirect greenhouse gas emissions arising from procurement (Scope 3) need to be reduced by 10% by 2023. Progress with respect to the latter target is reported on page 16 (supply chain sustainability).

To improve the reliability and continuity of emission calculations, Alma Media adopted the International Energy Agency IEA's country-specific emission factors in 2021 for instances where an energy producer-specific emission factor is unavailable, and emission figures were retrospectively recalculated according to this decision. The figures for 2016–2021 have also been adjusted to only reflect the Group's continuing operations. The reporting of environmental figures covers all of Alma Media.

The Group achieved its emissions target concerning its own operations (Scope 1 and 2), i.e. real estate and cars, already in 2019. Emission reductions continued in the year under review, and the Scope 1 and Scope 2 emission reported by the Group reduced by 52% from 2016.

As in 2020, the lower emissions in 2021 were significantly influenced by the global COVID-19 pandemic that continued during the year, the restrictions on movement related to preventing the spread of the virus and the national remote work recommendations. The main reason for the reduction in emissions from properties is Alma Media's switch to zero-emission electricity and district cooling at its properties in Finland. The purchasing of zero-emission hydropower electricity continued in 2021.

Table 2 describes the amounts and development of own energy, direct greenhouse gas emissions (Scope 1) and indirect greenhouse gas emissions (Scope 2) in the Group's own operations. The energy consumption of properties controlled by the Group totalled 3,226 MWh of electricity, district heating and district cooling. Renewable energy accounted for 62% of this. The fuel consumption of cars owned and used by the company decreased by 14.4 per cent from the previous year. The decrease in the energy consumption of company cars was mainly

Table 2: Alma Media and the environment	Unit	2016	2017	2018	2019	2020	2021
Amount of energy							
Petrol	GJ	4,393	5,152	5,188	5,005	2,535	2,399
Diesel	GJ	1,290	1,429	1,397	1,235	1,757	1,531
Electricity	GJ	9,261	9,413	9,078	8,079	6,648	6,039
District heating and district cooling	GJ	4,770	5,056	5,461	4,848	3,916	5,576
Emissions							
Direct emissions (Scope 1)	tCO_2-eq						
Fuels		384	450	450	426	287	260
Indirect emissions (Scope 2)	tCO_2-eq						
District heating, district cooling and electricity, market-based method		746	713	613	447	351	282
District heating, district cooling and electricity, location-specific method		702	657	720	566	454	468
Share of renewable energy, Scope 1 and Scope 2		0%	0%	12%	27%	33%	47%
Share of renewable energy, Scope 2		0%	0%	18%	40%	46%	62%
Scope 3	tCO_2-eq	17,449	19,312	18,016	17,365	15,139	15,062

attributable to the restrictions on mobility introduced in response to the COVID-19 pandemic and Alma Media's employees increasingly switching to remote work.

Alma Media calculates the consumption of electricity, district heating and district cooling mainly at the company's Finnish properties based on the invoices issued by the energy companies. The same practice is used in the other operating countries where consumption data is available. If the data is not available and if energy is included in the monthly rent for the property, electricity consumption is calculated based on the floor area. The fuel consumption data for Alma Media's company cars and cars that fall under an unlimited car benefit has been primarily collected from service providers. Emission calculations are based on the actual consumption of fuel. The fuel litres purchased are multiplied by fuel type-specific emission coefficients by the country of use. Scope 1 emissions consist primarily of carbon dioxide emissions (CO2). When possible, Alma Media utilises the energy supplier-specific emission figures in the calculation of Scope 2 emissions using the market-based method. If such figures are not available, the Group uses the country-specific IEA emission coefficients that are also used as the basis of location-specific emission calculations.

In 2021, the Group's greenhouse gas emission intensity was 0.3 tCO2-eq per employee. Alma Media calculates its greenhouse gas emission intensity based on its Scope 1 and Scope 2 emissions. Scope 2 emissions are calculated using the market-based method. Emissions intensity is reported relative to the number of employees. The greenhouse gas emissions arising from the consumption of electricity, district heating and district cooling (Scope 2 emissions) at the company's properties in Finland decreased by 19.6 per cent from the comparison year, to 282 tCO2-eq, calculated using the market-based method. Comprehensive remote work of employees and the reduced utilisation rate of properties reduced the Group's greenhouse gas emissions, on average, by 39% in 2020 and 2021 compared to the average of the two preceding years (2018 and 2019). Energy consumption is measured using country, type and supplier-specific emission coefficients.

MANAGEMENT OF RISKS RELATED TO CLIMATE CHANGE

The restrictions on movement and the labour shortages caused by the pandemic in the short term increase challenges related to the printing and distribution of newspapers and magazines in the subcontracting chain. Warmer winters will also complicate the harvesting of wood by the paper suppliers that operate as Alma's subcontractors, which may lead to higher paper prices. Increasingly strict national and EU-level climate regulations may also have cost impacts in Alma Media's subcontracting chain. Changes involving paper and delivery costs have an effect on the costs of print publications, for example. In the longer term, increasing extreme weather phenomena caused by climate change are predicted to increase the risk of technical disruptions to digital services in Alma Media's various operating countries. Alma Media manages its environmental risks by systematically developing its operations in accordance with the Group's SBTi climate targets and by

Table 3: Climate change

Definition 2021	**Progress made in 2021**	**Definition 2022**
According to the SBTi target of 2°C limit set in 2016, the greenhouse gas emissions arising from own operations (Scope 1 and 2) must decline by 25% by 2025.	Alma Media has achieved the SBTi targets set for its own operations. In 2021, we set new SBTi climate targets for 2030.	According to the SBTi target of a 1.5°C limit set for 2030, the greenhouse gas emissions arising from own operations (Scope 1 and 2) must decline by 46% since 2019.
Strategic intent:		**Strategic intent:**
Minimising the greenhouse gas emissions arising from the Group's own operations. An industry leader in the transition to low-carbon business operations and climate change mitigation.		Minimising the greenhouse gas emissions arising from the Group's own operations. An industry leader in the transition to low-carbon business operations and climate change mitigation.
Objectives for 2021:		**Objectives for 2022:**
Reduction of direct (Scope 1 and 2) emissions by 25% by 2025 (properties, energy, company cars, fuel).	In 2021, the Group's direct (Scope 1 and 2) greenhouse gas emissions reduced by 52% compared to 2016.	Reduction of direct (Scope 1 and 2) emissions by 4.3% from 2021 (properties, energy, company cars, fuel).
Reduction of indirect (Scope 3) greenhouse gas emissions arising from the subcontracting chain by 10% from 2016 to 2023.	Indirect (Scope 3) greenhouse gas emissions reduced by 13.7% from 2016 to 2021.	Reduction of indirect (Scope 3) greenhouse gas emissions by 1.2% from 2021.

engaging in active environmental dialogue with its key suppliers. The environmental risks associated with purchasing are reduced by Alma Media operating in 11 European countries. The procurement of each country unit is focused on the domestic market or nearby regions, which enables comprehensive oversight of suppliers. The risk of disruptions in the availability of digital services is mitigated by improving operational reliability. Reliability has been improved by moving all of the services that are important to Alma Media's business to cloud services. Other server capacity needed by the Group is purchased from modern data centres maintained by subcontractors.

Alma Media follows the international recommendations of TCFD (Task Force on Climate-related Financial Disclosure) on the reporting of the Group's risks and opportunities related to the climate. Alma Media's climate risk table in accordance with TCFD is shown on page 173.

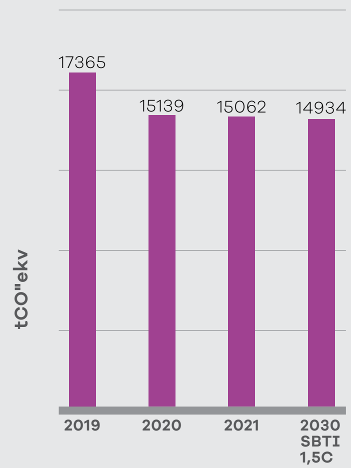
FOCUS AREAS FOR THE DEVELOPMENT OF SUSTAINABILITY IN 2022

Alma Media has updated its SBTi targets and committed to reducing the emissions arising from its own operations by 46% and those arising from its subcontracting chain by 14% by 2030. Achieving the SBTi target corresponds to an annual emissions reduction of 4.3% in the Group's own operations and a reduction of 1.2% in its subcontracting chain. The Group seeks to have its targets validated by the SBTi organisation in 2022.

Supply chain sustainability

FOCUS AREAS FOR THE DEVELOPMENT OF SUPPLY CHAIN SUSTAINABILITY IN 2022

Alma Media updated its science-based climate targets in 2021. Achieving the Group's SBTi target requires a reduction of greenhouse gas emissions arising from the subcontracting chain by 14% by 2030 compared to 2019. According to this target, the emissions arising from the subcontracting chain must decline by 1.23% annually. The emission reduction target mainly applies to the Group's printing and logistics procurements and the procurement of ICT services.



In addition to the dialogue with its key subcontractors regarding the reduction of greenhouse gas emissions, the Group engages in regular dialogue regarding the importance of ethically sustainable business. Alma Media's relationships with subcontractors are guided by the Group's Code of Conduct, which unequivocally prohibits corruption, bribery, human rights violations and other inappropriate treatment of employees. Alma Media reserves the right to monitor the sustainability of its suppliers by conducting audits at their premises or by requiring documentation regarding the sustainability of the services or products they produce. When the Group signs a significant new subcontracting agreement, a visit is made to the production facility before the final choice of supplier. Alma Media was not made aware of any violations of the Group's Code of Conduct among its subcontractors in 2021.

To develop sustainability in its subcontracting chain, Alma Media has set a target for 2022 to get at least 50% of its key subcontractors to commit to completing the Company's Code of Conduct training. The Group's most significant subcontractors are certain ICT, printing and delivery suppliers. Continuous procurement from these suppliers correspond to 43 per cent of the Group's procurements in Finland. Correspondingly, the share of procurements related to content generation of all the procurements made in Finland was 18 per cent in 2021. Alma Media units in all of the countries of operation make most of their purchases domestically or from nearby regions where businesses are subject to supervision and regulation. Country-level management is in charge of supply chain sustainability in Alma Media's foreign units. In Finland, the Chief Procurement Officer and the Director in charge of ICT procurement are in charge of developing the sustainability of the procurement policy and Group-level purchasing.

ACHIEVEMENT OF SUSTAINABILITY TARGETS IN 2021

According to the science based target concerning Alma Media's indirect greenhouse gas emissions arising mainly from purchasing (Scope 3 emissions) set in 2016, the company must reduce its emissions by 10 per cent by 2023. Alma Media's indirect Scope 3 emissions continued on a downward trend during the year as the circulations of print publications continued to decline and consumers switched from print to digital media. In addition, the mobility restrictions introduced due to the COVID-19 pandemic reduced air travel by Alma Media employees in 2021 by more than 77 per cent compared to 2019. Emissions were decreased by the lower use of services resulting from the reduced utilisation rate of transport services, distribution, aviation emissions and business premises. Due to reduced purchases alone, the Group's indirect Scope 3 emissions declined by 9 per cent (1,195 tCO2e) compared to 2016. The

Table 4: Other indirect emissions (Scope3)	tCO2-eq	2016	2017	2018	2019	2020	2021
Purchased products and services		13,203	15,083	13,971	13,417	11,591	12,008
Product transport and service (upstream)		3,801	3,781	3,540	3,476	3,257	2,778
Business travel		159	189	182	165	23	37
Commuter traffic		4	4	3	3	3	3
Use of products sold		158	143	224	211	192	169
Disposal of products sold		123	113	96	93	74	67
Total Scope 3 emissions		**17,449**	**19,312**	**18,016**	**17,365**	**15,139**	**15,062**

calculation of emissions associated with the final recycling of publications covers all of Alma Media's newspapers, magazines and books. Alma Media reports the figures for ongoing business.

Alma Media continued to engage in active dialogue with subcontractors to reduce emissions and started development projects with several significant subcontractors in ICT services, delivery services and printing operations to support Alma Media's new SBTi climate targets. Alma Media's supply chain in Finland consists of approximately 2,000 subcontractors. The largest group comprises small enterprises that primarily provide content production services to Alma Media's editorial offices. The Group's 23 key subcontractors accounted for 62 per cent of the total purchases, and 11 operators of these accounted for 52 per cent of the total purchases. These mostly consist of providers of delivery, printing and ICT services. Alma Media's procurement function in Finland operates with a two-tier approach. In addition to centralised procurement at the Group level, there are also local purchases. Alma Media's editorial offices, for example, purchase their content production services independently because the production and procurement of relevant content requires a high degree of familiarity with the target audience. During the reporting year, Alma Media's purchases from service providers and suppliers totalled MEUR 90.

Alma Media's indirect greenhouse gas emissions declined during the year under review to 15,062 tCO_2-eq (2020: 15,139 tCO_2-eq). Compared to 2016, the Group's Scope 3 emissions have declined by 13.7 per cent in total. Alma Media's most significant Scope 3 emission intensities are related to the procurement of transport and delivery services as well as the printing of publications. Alma Media reports on its other indirect greenhouse gas emissions in accordance with the international GHG Protocol. An itemisation of the company's Scope 3 emissions is provided in Table 4. Alma Media adopted the International Energy Agency IEA's country-specific emission factors in 2021 for those instances where an energy producer-specific emission factor has been unavailable. The emission figures for 2016–2020 were retrospectively recalculated according to the IEA factors. The adoption of the IEA calculation guidelines improves the reliability of environmental figures published by Alma Media's and enables a continuous comparison. The monitoring of Alma Media's SBTi targets also requires following the IEA standards. Scope 3 emissions consist primarily of carbon dioxide emissions (CO_2).

Table 5: Supply chain sustainability

Definition 2021	Progress made in 2021	Definition 2022
Alma Media does not allow unethical business practices in companies included in its subcontracting chain, and the Group also requires that its subcontractors set targets to mitigate climate change.	Alma Media monitored the sustainability of its suppliers by conducting audits on their premises or by requiring documentation regarding the sustainability of the services or products they produce. The energy consumption arising from business premises and business travel by air decreased due to the COVID-19 pandemic. As a result of the reduction in purchases, the Group's Scope 3 emissions declined.	Alma Media does not allow unethical business practices in companies included in its subcontracting chain, and the Group also requires that its subcontractors set targets to mitigate climate change.
Strategic intent:		**Strategic intent:**
Alma Media's subcontracting chain promotes the realisation of the Group's climate target and the ethical conduct of business.		Alma Media's subcontracting chain has, in its part, committed to promoting the achieving of the SBTi target and socially and ethically sustainable business.
Objectives for 2021:		**Objectives for 2022:**
Alma Media's subcontracting chain engages in socially and ethically sustainable business.	Alma Media was not made aware of any breaches of the ethical conduct of business, such as a violation of human rights or incidents of bribery or discrimination in its subcontracting chain companies in 2021.	50% of Alma Media's key subcontractors have committed themselves to the Group's Code of Conduct.
According to the SBTi target set in 2016, the greenhouse gas emissions arising from the subcontracting chain must decline by 10% by 2023.	The greenhouse gas emissions arising from the subcontracting chain reduced by 13.7% from 2016 to 2021. The Group set new targets in accordance with the 1.5 degrees Celsius limit in order to reduce the emissions arising from its subcontracting chain.	Reduction of greenhouse gas emissions by 1.2% from 2021.

Data security and data privacy

Almost 80 per cent of Alma Media's revenue now comes from digital sources. The Group takes a long-term approach to the development of its online services and aims to offer secure and diverse services to consumers and advertisers. It is essential for the success of the Group's business that the users of its digital services feel confident that their customer data is stored, managed and used responsibly. It is equally important that our customers feel that the services are competitive, effective and pleasant to use.

To ensure the high quality of its digital services, Alma Media focuses on digital business development in its investments. The development of digital business is also supported by actively monitoring changes in regulations pertaining to data privacy and data security as part of the Group's risk management and by strengthening the employees' digital competencies as well as their knowledge of data protection and data security. The management of the business units, together with the ICT organisation and the legal department, are responsible for the technical development of the online services owned by the Group and for ensuring that they comply with data privacy and data security recommendations and regulations as well as maintaining the appropriate level of employee competence pertaining to data protection and data security.

Since Alma Media's business environment in Europe is constantly changing, Alma Media regularly reviews the risks affecting data security, and its opportunities to respond to the risks in the changing environment are improved as necessary to reduce the risks.

To mitigate the risks observed (with respect to external as well as internal threats), the integration of foreign units to the Group network was started in 2021. Once completed, this will bring all the units under the same data security policy, data security controls and user and access management.

The Group's privacy policy describes the Group's responsibilities, requirements and practices related to the collection, use and storage of data based on the applicable legislation. The data of online service users is only used in Alma Media based on the user's consent and primarily to deliver the service ordered by the user, to improve the user experience and to respond to user expectations. As a second priority, user data is utilised to target advertising or content relevant to the user based on their areas of interest and behaviour, for example.

In digital advertising, Alma Media observes the IAB's self-regulation principles and uses a consent management solution that is in line with the Transparency & Consent Framework programme. To increase transparency, a Consent Management Platform (CMP) tool is used in Alma Media's consumer and business services. The Group observes its legal obligation to privacy protection in order to safeguard the privacy of the users. The practices related to ensuring privacy and the purposes for which information is used are described in the Group's privacy policy at https://www.almamedia.fi/en/tietosuoja/data-privacy/

ACHIEVEMENT OF SUSTAINABILITY TARGETS IN 2021

Alma Media assesses its performance as a responsible digital operator primarily from the perspective of the users of the Group's services. Accordingly, the Group has selected the security of its service as the focus area of its responsibility efforts. The Group has set two annual targets in this area.

The first target is that there should be no serious data security or data privacy breaches in the company's online services. During the year, the Group gave the data protection authority four (4) notices of data security breaches concerning approximately 1,000 people in total. The Group received five (5) requests for clarification. The incidents did not result in condemnatory decisions or a sanction imposed by a decision of the authority. During the year, no legal action was taken against the Group related to the privacy of users. The COVID-19 pandemic, which has continued for the second year already, also influenced the use of media content and digital services, as visitor volumes reached record highs. In spite of the increased user volumes, there were no service disruptions in Alma Media's services, and a high level of data security and data privacy was maintained in 2021 as well.

Alma Media's other target related to the security of online services currently covers Alma Media's Finnish business operations. The target is that Alma Media should organise at least four training events on data privacy and two general training events on data security for its employees each year. The training was organised as planned in 2021. In addition, there were two data privacy courses for software developers that also included a supplementary online training.

OTHER DEVELOPMENT PROJECTS DURING THE YEAR

Alma Media continued to actively participate in the cybersecurity-related cooperative bodies of ISAC (Information Sharing and Analysis Centre) groups. In 2021, Alma Media developed its business comprehensively. Ensuring data security, both in terms of divested services and the new services integrated to Alma Media, was a major part of the Group's data security operations.

The data security of the cloud environments used for Alma Media's commercial services was improved in 2021 by enhancing existing data security capabilities and introducing new ones as well as by improving the data security monitoring of Alma's internal network and workstations. Data security and data privacy training for employees form a part of the proactive risk management operations involving the Group's employees. Alma Media undertakes proactive risk management with regard to data security. This can be seen in the form of several data security inspections of the commercial services and the new data security controls implemented in the service development process with regard to vulnerability and software dependency management.

At the end of the year under review, Alma ID was in use in 27 services and there were more than 900,000 registered users in total. The single sign-on solution will be expanded to cover all of Alma Media's services in Finland. Data collected with the consent of a registered user is more durable in terms of time and higher in quality than data based on cookie-based targeting. It also enables a better customer experience for users and more valuable and precise target audiences for advertisers. High-standard and information secure technology is used in Alma ID's single sign-on. User data is stored in data security audited environments and the company observes the obligations stipulated by the applicable data privacy legislation in processing the data.

FOCUS AREAS FOR THE DEVELOPMENT OF SUSTAINABILITY IN 2022

With regard to the current focus areas — data security and data privacy — resources in 2022 will be particularly allocated to the continued development of managing registered information requests and the Group's monitoring capabilities pertaining to data security. The new digital training platform will be used to continuously strengthen the data privacy and data security competencies of the Group's employees.

Table 6: Data security and data privacy

Definition 2021	Progress	Definition 2022
Data security and data privacy are cornerstones of Alma Media's sustainability. We process data carefully, always observing privacy and meeting the expectations of our users. We develop our capability to anticipate and respond in time to ensure data security.	The data security of the cloud environments used for the commercial services was improved by enhancing the existing data security capabilities and introducing new ones as well as by improving the data security monitoring of the Group's internal network and workstations.	Data security and data privacy are cornerstones of Alma Media's sustainability. We process data carefully, always observing privacy and meeting the expectations of our users. We develop our capability to anticipate and respond in time to ensure data security.
Strategic intent:		**Strategic intent**
We ensure the safe use of the leading services in the market and avoid serious data security breaches.		We ensure the safe use of the leading services in the market and avoid serious data security breaches.
Objective for 2021	**Progress made in 2021**	**Objective for 2022**
There are no serious data security breaches in our services.	There were no serious data security breaches in our services in 2021.	There are no serious data security breaches in our services.
We organise at least four data privacy trainings and two data security trainings for our employees.	We organised at least four data privacy trainings and two data security trainings for our employees In addition, we organised two data privacy trainings for software developers, supplemented with an online course.	Continuous training of employees to develop data privacy and data security in the changing operating environment.
Improving registered use, customer experience and the reliability of services.	The number of registered Alma IDs increased from 500,000 to 900,000 in 2021.	Automation of the availability of own user data for registered users.
Proactive development of data security and data privacy to prepare for data security attacks.	We primarily focused on ensuring the data security of the Group's new business.	Improving automation to prepare for data security attacks in the Group's own development and training of subcontractors.
There is no downtime in our services.	There was no downtime in our services.	There is no downtime in our services.

Diversity, equality and inclusion

DEVELOPING AN EQUAL AND DIVERSE WORK COMMUNITY

The foundation for Alma Media's development of an equal and diverse work community is provided by regular employee surveys, among other things. The survey results, salary analyses and other employee data are used as the starting point when Alma Media's Finnish business units update their non-discrimination, diversity and equality plans in two-year intervals under the guidance of the HR function. The plans cover topics such as differences in pay, the justification for fixed-term employment relationships and the job-specific gender distribution in each unit.

Alma Media recruits new employees purely based on their competence and aptitude. All Alma Media employees are entitled to receive fair and rewarding compensation, have opportunities to develop their skills and abilities, receive feedback, remain informed about the company and work in a safe, pleasant, renewal-oriented and developing environment where everyone's privacy and private life are respected. In accordance with the Group's Code of Conduct, everyone at Alma Media must respect basic human rights. Alma Media does not condone discrimination based on age, gender, race, skin colour, nationality or ethnic origin, religious beliefs, convictions, family relationships, sexual orientation or disabilities.

Alma Media has a zero tolerance policy concerning sexual harassment and other forms of harassment, threats, offensive conduct, physical and psychological violence as well as workplace bullying. Every Alma Media employee has an obligation to report any observations of discrimination. Such incidents can be reported internally through employee representatives, Group HR or the anonymous Whistleblow channel. Alma Media's whistleblowing team receives the notifications, reports them to the Audit Committee of the Board of Director and takes action as necessary. Building an inspiring, inclusive, equal and diverse work community is a shared goal for all Alma Media employees. Development in this area is supported by the Group HR function.

ACHIEVEMENT OF SUSTAINABILITY TARGETS IN 2021

Alma Media has a zero tolerance policy regarding the discrimination and inappropriate treatment of employees. The Group reports annually on whether any such incidents have occurred. A total of five (5) suspected incidents of bullying or sexual

Table 7: Diversity, equality and inclusion

Definition 2021	Progress made in 2021	Definition 2022
We do not condone harassment or discrimination related to age, gender, race, skin colour, nationality or ethnic origin, religious beliefs, convictions, family relationships, sexual orientation or disabilities.	Alma Media's Code of Conduct strictly prohibits all discrimination and harassment at the workplace. The new Code of Conduct was launched for the employees in course format in 2021. 90% of our employees took the course.	Alma Media employees feel that the Group promotes equality, diversity and experiences of participation. All types of harassment, discrimination or bullying is prevented efficiently, and any shortcomings are corrected swiftly.
Strategic intent:		**Strategic intent:**
Alma Media employees find that our HR policy promotes equality and prevents harassment, bullying and discrimination.		A positively developing experience of the realisation of equality, diversity and inclusion in the work community.
Objectives for 2021:		**Objectives for 2022:**
Zero tolerance against harassment and discrimination: There are no incidents of improper treatment amongst Alma Media employees.	A total of five (5) suspected incidents of improper behaviour were reported in 2021. The incidents were investigated and closed by the end of the year.	Zero tolerance against harassment and discrimination: There are no incidents of improper treatment amongst Alma Media employees.
Increasing awareness of and the significance of diversity and inclusion in the work community.	625 employees participated in workshop training aimed at increasing awareness of the significance of diversity in the work community as a resource.	Promoting diversity and inclusion in the work community. We will conduct a survey about the experiences of the realisation of diversity and inclusion in the work community. An action and training plan to enhance diversity and inclusion will be prepared based on the survey results.

harassment were reported in 2021. All of the incidents reported to the company were thoroughly investigated. The necessary measures were taken and all five cases were closed by the end of the year. Alma Media was not subject to any reprimands or penalties by the authorities due to discrimination during the year under review.

Alma Media's Board of Directors had six members in 2021. One of them was a woman (16.7%). Three of the Board members were approximately 50 years of age, two were 60 years of age and one was 70 years of age. Alma Media's Group Executive Team consisted of 10 members during the year under review, three (30%) of whom were women. 20 per cent the members of the Group Executive Team were aged 50 or younger, and 80 per cent were over 50. Women accounted for 40 per cent of supervisors in the Group as a whole and 48 per cent of supervisors in Finland.

Table 8: Alma Media's employees	Employees	Women as managers, %	Men as managers, %
Finland	975	48	52
Czech Republic	353	24	76
Baltic countries: Estonia, Latvia, Lithuania	74	47	53
Slovakia	106	44	56
Croatia	90	33	67
Bosnia	38	50	50
Sweden	15	0	100
Other	34	–	–
Total	**1,690**		

A more detailed distribution of employees is provided in Table 8.

In all of Alma Media's country units, at least nine out of ten employees were in a permanent employment relationship in the year under review. In Bosnia-Herzegovina, seven out of ten employees were in a permanent employment relationship.

Most of Alma Media's employees worked full time. A special feature of Alma Media's Finnish operations was — as in previous years — the use of freelancers by the Group's media brands. Each year, the Group's media brands employ dozens of photographers and journalists by way of freelance contracts in addition to their in-house resources. The media brands order stories, videos and photos from the freelancers based on their needs. In the year under review, the largest age group in all of Alma Media's country units was 30–50. In Finland, the proportions of employees aged under 30 and over 50 were almost equal. In the other operating countries, the second-largest age group was employees under 30 years of age. More detailed region-specific information on employment contract types, the age distribution and the duration of employment is provided in Table 9.

Table 9: Employee age distribution and contract type	under 30 years	30–50 years	over 50 years	Fixed term	Permanent	full-time	part-time	All total
Baltic countries	31%	64%	5%	1%	99%	96%	4%	100%
Bosnia and Herzegovina	18%	82%	0%	32%	68%	100%	0%	100%
Croatia	19%	78%	3%	0%	100%	89%	11%	100%
Other operating countries	27%	73%	0%	18%	82%	100%	0%	100%
Sweden	20%	73%	7%	7%	93%	87%	13%	100%
Slovakia	23%	75%	2%	2%	98%	96%	4%	100%
Finland	17%	64%	19%	7%	93%	90%	10%	100%
Czech Republic	14%	83%	2%	11%	89%	89%	11%	100%

OTHER DEVELOPMENT PROJECTS DURING THE YEAR

The objective of Alma Media's HR strategy is to support the development of the Group's business and the execution of strategy. During the past few years, the Group has particularly focused on enhancing the digital competencies of its employees and creating an employer image and employee experience of Alma Media as a responsible employer with a strong capacity for renewal. We increased the use of digital learning environments during the year.

We made extensive use of digital learning environments, such as Howspace and Seduo, which made it possible to develop competence in a multi-location work environment. Digital capabilities were developed in the digital marketing training package, among others. Theme-specific training related to self-management and the development of managerial work in a multi-local work environment were also key areas of HR development in 2021.

With regard to the development of an equal and diverse work community, the Group placed attention during the year under review on the transparency of recruitment, and in Alma's Baltic operating countries, for example, CV Online is seeking to promote equality and diversity concretely in its customer companies by not allowing employers to use age and gender data as employee search criteria in its CV database.

We continued to coach our employees in workshops aimed at increasing employee appreciation towards diversity and viewing diversity as a resource. By the end of 2021, 625 Alma employees had participated in these workshops. While observing the restrictions caused by the COVID-19 pandemic, we implemented principles concerning multi-local work in 2021. The principles make it easier for employees to perform their work in different life stages while increasing the productivity and well-being of work as well as flexibility with regard to the reconciliation of individual life circumstances and work.

As part of the new Code of Conduct package, the Group's principles and operating models to prevent harassment and bullying were implemented in all of Alma's operating countries.

FOCUS AREAS FOR THE DEVELOPMENT OF SUSTAINABILITY IN 2022

Alma Media is committed to building a pluralistic and pro-diversity organisational culture by providing all employees with equal rights and opportunities and by treating everyone equally. In 2022, the Group will conduct an employee survey concerning the realisation of equality, diversity and inclusion in the Group. The survey will be used to identify any areas for development, and the necessary development plans will be prepared based on the observations.

The significance of diversity will be emphasised in communications to supervisors and in supervisor and work community development training in 2022. We are also planning an online course for all the employees covering the themes of diversity and inclusion.

Future-fit workforce

DEVELOPING EMPLOYEE COMPETENCE AND WELL-BEING

In a constantly changing operating environment, competence development plays a key role in ensuring future competitiveness. Alma Media's HR strategy supports the Group's business through the goal-driven development of employee competence, amongst other things.

Alma Media's goal-driven competence development is based on competence targets, which are defined at the team level at a minimum. The Group's aim is to have a personal plan prepared for each employee to support the development of their competence. Goal-driven competence development is followed up on in one-to-one discussions between the supervisors and employees. Alma Media arranges training programmes that support the development of employee competence and invests in the collaborative learning of employees and knowledge sharing by organising mentoring programmes, competence workshops and theme events, amongst other things. The company takes a long-term approach to the development of managerial work and builds an international network of supervisors to support the sharing of best practices related to leadership and management.

The development of employee competence and well-being at Alma Media is supported by the Group HR function. Its tasks include the steering, prioritisation and specification of functions and processes related to pay, benefits, employee reporting and competence development. Alma Media's employees have primarily worked using a multi-local work model during the COVID-19 pandemic. Supervisors have received training related to managing remote and multi-local work. In spite of the exceptional circumstances and the extensive transition to remote work, there were no interruptions in Alma Media's services during the year and service quality was successfully maintained.

As the COVID-19 pandemic continued, the special working group of representatives of all the operations which started its work in Finland in 2020 continued its work. The working group is responsible for monitoring the COVID-19 status and instructions of the authorities regularly and for preparing the guidelines and instructions for employees based on them. Employee well-being was supported in various ways during the exceptional circumstances created by the pandemic. Webinars on mental well-being and coping during COVID-19 and on the ergonomics of remote work were organised in cooperation with the occupational health care provider. An "Alma employee's well-being package" also supports the employees, consisting of tips for well-being in daily life: ergonomics, recovery, sleep, psychological well-being, human interaction, occupational health care and the Auntie service. Auntie is a low-threshold psychological well-being service offered to Alma Media employees. It is aimed at reducing stress, improving employees' ability to cope, increasing efficiency and providing concrete tools for managing one's daily life. A series of well-being lectures by Auntie were also available to all employees. Virtual exercise breaks were organised regularly to help employees maintain a healthy and productive rhythm during remote work.

ACHIEVEMENT OF SUSTAINABILITY TARGETS IN 2021

Alma Media measures its performance in engaging the commitment of employees and competence development by means of annual employee surveys, which provide a comprehensive picture of employee perceptions regarding the effectiveness of the work community and Alma Media as an employer. The most extensive of these surveys is the annual Quality of Work Life (QWL) survey conducted in all of Alma Media's units. The target set for the survey is a QWL index of at least 82 per cent. This target was exceeded in the year under review, with the score being 85.4 per cent. The state of the work community is also measured annually by finding out how willing the employees are to recommend Alma Media as an employer. The target is a score of at least 8 on a scale of 1–10. Alma Media achieved a score of 8.1 (eNPS 32). In addition to using surveys, Alma Media evaluates its performance as an employer by monitoring the long-term retention of new employees. The target is for 90 per cent of new employees to stay with the Group for at least two years after being hired. Alma Media achieved the target set for the retention of new employees in 2021. Of the employees who joined the company two years ago as new employees, more than 90 per cent remained with the Group during the year under review. The voluntary departure turnover of Alma Media's employees in the Group's operating countries was 7.6 per cent on average.

OTHER DEVELOPMENT PROJECTS DURING THE YEAR

In spite of the continued exceptional circumstances caused by the COVID-19 pandemic, the development of employee competence and related training activities continued as planned in 2021. Training was largely implemented using virtual tools due to the pandemic. In the development of employee competence and well-being, the focus in 2021 was on managerial work, continuous learning and the sharing of expertise. A supervisor mentoring programme across national and business unit boundaries was introduced. A joint Growth Day event for all of Alma Media's countries of operation was organised in the autumn for employees to share their knowledge and expertise with each other in various ways. Alma Talent continued the extensive managerial training programme called "Management Growth Path" started in 2020 to support supervisors' capabilities in a digital and multi-local work environment. In 2021, a similar managerial training programme was launched in Alma Media Solutions. Alma Media Solutions' Alma Academy also continued its work in 2021 with the themes of growth, excitement and creativity as well as interaction and efficient communication.

Alma employees in Finland utilised the Alma Talent Seduo online learning environment. The digital training service, which has been localised for the Finnish market by Alma Talent, gives employees the opportunity to complete training modules on various themes, such as the digital transformation, management, communication and data as well as sales and marketing. Support material on dealing with online bullying was prepared for the employees to help them with situations involving online bullying or hate speech and to improve their capacity to resolve such situations.

In 2021, we organised two trainee programmes for recent graduates in technology and marketing. These programmes allowed us to increase competences important for Alma's business and gave employment to 23 young people starting their careers.

FOCUS AREAS FOR THE DEVELOPMENT OF SUSTAINABILITY IN 2022

In 2022, Alma Media aims to further improve its employees' opportunities for the continuous goal-driven development of their competence. The company will increase the use of online learning materials and launch a competence development support system to give employees even more equal opportunities to improve their competence regardless of where they are based. Solutions such as Alma Talent's Seduo online learning environment are used in competence development.

The development of managerial skills and leadership is supported by managerial training. Managers and all employees are trained with the aim of achieving success in a digital and multi-local work environment. Training activities will continue to be implemented under the Growth Day, Digital Sales Academy and Alma Academy concepts as well as by promoting a culture of sharing expertise and the growth of the Alma Mentor community. We will improve the digital literacy of Alma employees as well as their understanding of the utilisation of data in the Data Challenge online training.

So far, we have been able to implement the operating model for multi-location work introduced in Alma Media in 2021 to a lesser degree than planned due to the COVID-19 restrictions. Managers and teams will be supported further in the deployment of the model in 2022. The Auntie service will continue to be available to employees to support well-being at work and lectures on well-being will also continue.

Table 10: Future-fit workforce

Definition 2021	Progress made in 2021	Definition 2022
Employee well-being, commitment and competence development as well as competence development within the organisation are of key importance to ensure the success of our business.	Alma Media's number of employees increased by 13.8% in 2021. We arranged training programmes that support the development of employee competence and invested in the collaborative learning of employees and knowledge sharing by organising mentoring programmes, competence workshops and theme events, amongst other things.	Employee well-being, commitment and competence development as well as competence development within the organisation are of key importance to ensure the success of our business.
Strategic intent:		**Strategic intent:**
The most competent, committed and well-being employees in the industry.		The most competent, committed and well-being employees in the industry.
Objectives for 2021:		**Objectives for 2022:**
Equality in learning and personal development.	Open virtual training. Personal competence goals and development plans for everyone.	Equality in learning and personal development.
Continuous professional development, sharing of competence and self-development.	Training, competence workshops, mentoring programmes and theme events supporting the development of managerial work, continuous learning and sharing of competence.	Continuous professional development, sharing of competence and self-development.
High quality of working life, QWL >82.	High quality of working life, QWL = 85.	High quality of working life, QWL >83.
Supporting the mental and physical energy levels of employees.	Webinars on mental well-being and coping as well as on the ergonomics of remote work in cooperation with the occupational health care provider. Operating model of multi-location work to increase flexibility in work in different life situations.	Well-being training in cooperation with the occupational health care provider. The development and implementation of the operating model of multi-location work continues in 2022.
New employee retention 90%.	Retention rate of over 90% regarding employees who have worked for us for over 2 years. The average employee turnover in the Group was 7.6%.	Employee turnover of new employees under 10%.
Likelihood of recommending the Group as an employer 8 (1–10).	Likelihood of recommending 8.1 (1–10).	Likelihood of recommending the Group as an employer 8 (1–10).

RESPONSIBLE BRANDS

Responsible media

MANAGING RESPONSIBLE JOURNALISM

The editorial teams of our media are committed to truthful, open and pluralistic journalism. Preserving trust in the media is a prerequisite for our business.

Our media comply with the Guidelines for Journalists drafted by the Council for Mass Media, which is the Finnish media sector's self-regulatory organisation. The guidelines concerning journalism are in many ways stricter than the legislation governing freedom of speech, freedom of expression and the media in general. The topics covered in the Guidelines for Journalists include the principles of obtaining information, the journalist's professional position and the rights of interviewees. The Guidelines also stipulate how media outlets need to rectify their errors and separate journalism from advertising.

In addition to publishing guidelines concerning ethics in journalism, the Council for Mass Media handles dozens of complaints each year regarding content published in by Finnish media outlets. Alma Media's editorial teams interpret the Council's decisions as precedents that guide operations. In responsible journalism, Alma Media journalists and editorial offices act transparently and responsibly under all circumstances in their role as a source of information. High-quality journalism engages the readers' long-term commitment to Alma Media's media and, consequently, the readers characterise them as high in quality and reliable in reader surveys. The responsibility for the journalistic content of Alma Media's media lies with the Editor-in-Chief of each media, assisted by editorial supervisors. Editors-in-Chief and other supervisors of the editorial teams are responsible for creating a strong journalistic culture by providing active guidance and feedback as well as by developing the editorial teams' internal guidelines and style books. The aim is to ensure that all employees of Alma Media's editorial offices understand their professional responsibility. In developing responsible journalism, the supervisors of the editorial teams also monitor the results of reader surveys and brand surveys as well as customer feedback and the public discussion regarding the media to ensure the purposefulness, service ability and pluralism of content. Monitoring of the readership of individual news articles indicates the importance of the subjects to our readers and of their significance for society. Readers who are dissatisfied with content can, for example, send feedback to the editorial team or submit a request for correction.

ACHIEVEMENT OF SUSTAINABILITY TARGETS IN 2021

The most relevant sustainability target for media is the number of condemnatory decisions by the Council for Mass Media. Our goal is that the Group's media brands' combined share of the condemnatory decisions issued by the Council should be under 20 per cent of the total condemnatory decisions issued in any given year. The large readership of Alma Media's media outlets in Finland was taken into consideration in setting the target.

During the year, none of Alma Media's media were issued a condemnatory decision by the Council for Mass Media, meaning that the annual target measuring responsible journalism was exceeded by a clear margin. In 2021, the Council for Mass Media issued 60 decisions based on complaints, with 24 of these decisions being condemnatory. Alma Media has specified key indicators measuring the development of responsible media. Our goal is that no more than five condemnatory decisions are issued to Alma Media's media by the Council for Mass Media annually. Alma's media also have an annual development goal in the future. The financial and professional media seek to verify the effectiveness of the media in terms of improving citizen and company awareness of solutions promoting sustainable development. In 2022, editors will be trained and any stories presenting solutions for sustainable development for individuals or companies will be tagged with a shared keyword. The number of such stories published and the development of reach will be reported in the future. Iltalehti will also arrange a specific training aimed at strengthening the journalistic competence related to sustainable development for its reporters in 2022.

OTHER DEVELOPMENT PROJECTS DURING THE YEAR

The COVID-19 pandemic that started in spring 2020 continued to increase the demand for up-to-date and reliable information in 2021. Iltalehti grew into the biggest digital news media in Finland, passing Hs.fi and Is.fi in terms of readership based on the national FIAM measurement. The readership of content related to sustainability increased, and people were interested in the extensive societal topics and fact-based surveys of the media, which helped Iltalehti to grow into the biggest in Finland. Iltalehti started its own investigative journalism programme aimed at developing the journalistic ability of the media to ensure the lawfulness of decision-making in society and of the actions of the authorities and decision-makers. Financial and professional media published multiple articles addressing topics such as the EU's climate targets, emission reductions, the shift of financing towards responsible investment and climate innovation.

The Group's media did not receive any assistance from governments or non-governmental sources or political funding in the year under review. There were no legal proceedings associated with libel or slander and, therefore, also no financial liabilities related to them. In order to ensure the IP protection of its media and services, the Alma Media Group efficiently protects is trademarks through the appropriate registrations, monitors the market for any violations of its trademarks and defends its trademarks in case of violations. Alma Media also actively ensures the protection and defending of copyright and databases.

The journalistic principles of media include the principle of protecting vulnerable groups of the public. Information that might be shocking to children or young people, for example, is only published when strong journalistic grounds exist, and the appropriate labels are used to warn of such content in advance. Furthermore, it is prohibited to target content and advertising to young people under the age of 18 in Alma Media's media.

MANAGEMENT OF RESPONSIBLE MARKETING

The truthfulness of marketing and preventing the misleading of consumers is a basic condition for campaigns published in the Group's media and services. The digitalisation of advertising has seen the focus of the development of responsible advertising shift increasingly to ensuring the security of the advertising environment as well as the responsible collection and use of consumer data.

The automation and internationalisation of advertising and the increasingly complex digital advertising ecosystem require Alma Media to make significant investments in maintaining a high-quality and safe media environment. The Group systematically strengthens its technical capabilities and employee competencies to ensure that no advertising fraud or advertisements that are contrary to good marketing practices are published in its online and mobile services, and that user data is not collected or used inappropriately in connection with advertising. Alma Media complies with the legislation governing marketing as well as the marketing communications industry's self-regulation in monitoring the advertising activities of its customers and when engaging in marketing communications for its media brands and services. The Group is actively involved in the development of digital marketing competence throughout the marketing communications industry in Finland.

The possibilities of consumers to impact the collection and utilisation of data create a framework for the utilisation of data by the media. It is possible to display or measure programmatically bought advertising targeted on a data-driven basis, personalise content and create advertising profiles only for users who have consented to it. User consent to the targeting of advertising is forwarded to Alma Media's approved partners in the advertising buying supply chain. Through the TCF (Transparency & Consent Framework), Alma Media approves its partners and the purposes of data use as part of Alma Media's data privacy practices and maintains a list of approved partners on its website.

Alma Media's media sales and marketing organisation is in charge of the development of responsible marketing together with each brand's marketing organisation. In software procurement related to digital marketing, assistance is provided by Alma Media's Chief Digital Officer and the rest of the ICT organisation. The Group's specialist on data privacy ensures the compliance of the management and utilisation of user data and the user consent management tool.

ACHIEVEMENT OF SUSTAINABILITY TARGETS IN 2021

The Group does not publish advertising that is in violation of good advertising practices and has set a target for responsible marketing, according to which its online and mobile services should not feature any advertisements that violate the guidelines of good marketing practices published by the International Chamber of Commerce. During the year under review, Alma Media did not receive any complaints in its operating countries from the authorities that supervise ethics in advertising or the marketing industry's own self-regulatory bodies.

FOCUS AREAS FOR THE DEVELOPMENT OF SUSTAINABILITY IN 2022

As a media company that operates at the national scale, Alma Media is actively involved in the development of the Finnish marketing communications industry's expertise and responsibility agenda. Alma Media also takes the special challenges associated with digital marketing into consideration in the development of its own technical and other capabilities. Alma Media ensures compliance with the obligations placed on digital advertising by the General Data Protection Regulation (GDPR) and IAB Europe by allocating sufficient resources to the related activities, by ensuring it has the appropriate information management and data processing processes in place and by training its employees. In 2022, resources will be particularly allocated to promoting responsible media and marketing and brand safety, ensuring a high-quality and brand-safe media environment for advertisers and providing high-quality targeting data for advertisers. The Group also seeks to develop new advertising and content marketing solutions based on sustainability to emphasise the significance of the sustainability work of companies.The GDPR and the browser-based measures taken by platform operators to restrict targeting based on cookies require media companies to more carefully assess alternatives based on user identification and contextual targeting, among other things.

Table 11: Responsible media.

Definition 2021	Progress made in 2021	Definition 2022
Readers' trust is a precondition for journalistic media. We are committed to truthful, open and pluralistic journalism and responsible marketing.		Readers' trust is a precondition for journalistic media. We are committed to truthful, open and pluralistic journalism and responsible marketing.
Strategic intent:		**Strategic intent:**
A defender of the freedom of speech, democracy and pluralist communications.		A defender of the freedom of speech, democracy and pluralist communications.
Objectives for 2021:		**Objectives for 2022:**
Under 20% of all the condemnatory decisions issued by the Council for Mass Media apply to Alma Media's media.	The Council for Mass Media did not issue a single condemnatory decision to Alma Media's media in 2021. All in all, the Council for Mass Media processed 60 reprimands during the year, 24 of which were condemnatory to media.	No more than five (5) condemnatory decisions are issued to Alma Media's media by the Council for Mass Media annually.
Specifying the indicators for responsible journalism.	In 2021, Alma Media's media specified the following indicators for sustainable journalism: 1) Financial and professional media will monitor the number of articles providing solutions for sustainable development. 2) Sustainable journalism training is organised for reporters.	Implementation of keywords based on sustainable development and a responsible journalism training for reporters.
Alma Media's media and services do not publish any advertisements that violate the guidelines of good marketing practices published by the International Chamber of Commerce.	Alma Media did not receive any complaints in its operating countries from the authorities that supervise ethics in advertising or the marketing industry's own self-regulatory bodies.	Alma Media's media and services do not publish any advertisements that violate the guidelines of good marketing practices published by the International Chamber of Commerce.

Responsible services

The expectations of our key stakeholders – our employees, customers, readers and users as well as investors – regarding the sustainability of our operations reflect our opportunities to make a difference in the mitigation of climate change, sustainable business operations as well as the promotion of competence development and equality between individuals. The results of the materiality analysis describe how the scope of Alma Media's operations enable the promotion of sustainable development in many ways in companies, in the lives of people and in society.

The aspects identified by the stakeholders as being linked to our digital business and strong brands are especially interesting. Digital services enable impacting climate change and promoting sustainable choices in housing or vehicle traffic. Our training services allow us to develop professional competences in companies and promote sustainable business operations.

CUSTOMER SATISFACTION

Our business is based on responding to the needs of our customers and the users of our services. Our product and services must be of high quality and safe to use. Alma's business operations have transitioned more and more towards paying for the media and service content, which emphasises the significance of customer satisfaction even further. Customer satisfaction creates value into the business and moves the focus from the reaching of customers and individual transactions to creating stakeholder commitment and long-term value creation. High customer satisfaction speeds up business growth, reduces the costs of customer acquisition, improves trust in the customer relationship and decreases the risk of customer loss.

A satisfied customer is committed to using our service or product, the usage volume increases and the likelihood of recommending the service increases. In digital business, customer satisfaction is strongly based on the correlation between customer expectations and experiences regarding the contents of our services, the technical user experience of our websites, such as findability and availability, ease of navigation and ease of the purchase process as well as the operation of customer support. Trust on the functionality of the service and the data security of use are significant psychological factors affecting customer satisfaction.

The use of the Alma ID expanded in 2021 to include almost all of Alma Media's media and digital services in Finland. By the end of the year, the number of registered Alma ID users was as high as 900,000. The functionalities of the self-service account will be developed further in 2022. With this account, users can see for which purposes the data collected with their consent is used, and they can also view their own user profiles based on this data. In the future, it will be possible to modify the user profile through the self-service account. By developing the Alma ID, we increase understanding about customer expectations and develop our services based on the users.

CUSTOMER SATISFACTION METRICS

Alma Media's services and media are developed continuously. Customer satisfaction is measured by means of customer surveys and the Net Promotor Score metric, in which the users are asked about the likelihood of recommending the service to other users on a scale of 0–10. The results are divided into *recommenders* (score 9–10), *passive users* (score 7–8) who are satisfied but not committed to the service to such a degree that they would recommend it and *critics* (0–6) who have been dissatisfied with the service received. The number of critics is deducted from the number of recommenders, and the result is divided by the total number of respondents. This gives a score of -100 to 100. -100 means that all the customers are dissatisfied and 100 that all the customers are recommenders. In 2021, the annual NPS average in Alma Media's services varied from 19.7 (Vuokraovi.com) to 40.8 (Etuovi.com). Autotalli.com, for example, had an NPS score between these values (average 24.2). Only some of Alma Media's services regularly measure customer satisfaction. Monitoring of customer satisfaction will be developed in 2022 through the harmonisation of the measurement methods used in services and the measurement frequencies.

ETHICAL SERVICE DESIGN

In Alma Media, ethical service design refers to the planning and development of ethically sustainable business with the purpose of, among other things, ensuring the good availability of our digital services to all population groups. In Alma Media, ethical service design also means utilising machine learning, data and analytics ethically. We do not create target groups consisting of children or young people aged under 18 and, therefore, do not target any content or advertising to such a group. The algorithms used for targeting content do not restrict the accessibility of content to any user group.

Alma Media has also started a survey on the compliance of our services with the EU accessibility directive. While the directive is not directly binding to Alma Media's services, we have already started assessing the impact of the directive's contents on service development and will continue this work in 2022.

GREEN SERVICE DESIGN

Alma Media's automobile and housing services attract 300,000–1,000,000 users per month. Our services enable sustainable choices for the users by offering environmental selection criteria. In our Etuovi.com service, the user can restrict the available choices based on the source of heat used in the apartment. For example, the service offers almost 3,000 apartments with geothermal heating as the source of heat. In a similar manner, users of our automobile services Nettiauto.com and Autotalli.com can choose a vehicle based on the type of energy used, consumption and emission category. These factors also have a direct impact on the amount of vehicle tax and the costs of operation. At the beginning of 2022, Nettiauto already offers approximately 2,500 options using electricity or gas as the source of energy, and Autotalli.com service includes almost 2,000 electric or gas vehicles. The criteria used in these services will be developed further, and the possibilities to make sustainable choices in the acquisition of a home or a vehicle will be highlighted in communications.

Alma Media's Nettivuokraus and Nettimarkkina services operate in the circular economy market and give the users the opportunity to restrict consumption, save the environment and favour private renting instead of buying new consumer goods, such as equipment, machines, cars and tools.

SUSTAINABLE CITIES AND COMMUNITIES

The sustainability area "sustainable cities and communities" identified in Alma Media's materiality analysis brings the Group new opportunities to affect sustainable development. Clarifying the significance of this in business and the planning of actions will start in 2022. We find that the principle of materiality is met clearly since Etuovi.com and Vuokraovi.com, our marketplaces for the sales, buying and renting of homes, the new digital property transaction service DIAS, the bidding service Urakkamaailma focusing on renovations and repairs as well as the moving service Muuttomaailma already create an impressive package of services related to housing in Finland. We have significant opportunities to impact the sustainable development of the housing market through cooperation between the various services and by engaging company partners. For us, sustainable living in cities means reducing the climate impacts of housing, for example. Increased digital services, digital services supporting everyday living and the efficient utilisation of location services reduce unnecessary driving and movement. Different kinds of residential community services may also increase a feeling of togetherness among the residents of a specific area and improve social connections and the pleasantness of the community. As the services of the circular economy evolve, goods and services find new owners efficiently in local communities and thereby reduce the carbon footprint of housing as well as unnecessary consumption and storage.

COOPERATION AND PARTNERSHIPS

Thanks to its extensive cooperation with companies, Alma Media is highly networked in its business areas. Alma Media also has significant social partnerships in Finland and abroad. The Group is an active member in the industry organisation Finnmedia, Finland Chamber of Commerce and IAB Finland.

Collaboration with the Finnish Children and Youth Foundation started in 2016 already with the aim of ensuring a better future for young people. The cooperation has included media literacy projects, cooperation with young climate influencers and improving the mental well-being of young people and preparing them for the working life. In the next contract period, the cooperation will focus on introducing the working life to young people, the national TET project (Getting to know working life) aimed at building a bridge between employers and young people going to lower or upper secondary school.

SUSTAINABLE DEVELOPMENT PROJECTS IN 2021

In Finland, the most significant sustainable development partnerships in recent years have been related to the development of a better working life. Our working life reporters at Kauppalehti, Fakta and Talouselämä, our book and training business focusing on the development of professionals and our significant position as a recruitment service provider in Finland and internationally create a strong basis for this. The Onni työssä (Happiness at work) project launched several years ago aims at changing the way Finnish employees experience the working life and well-being at work as well as in the identification of opportunities created by the transformation of work enhanced by digitalisation. We have created content articles and video interviews in cooperation with companies such as Elisa, K Group and Aalto University to increase transparency to companies and good company practices that have improved the well-being, enthusiasm and commitment of employees.

The project has also produced concrete tools to strengthen employee well-being, job satisfaction and motivation in an eight-part virtual online training open for all Finns free of charge. The interactive sections of the course focus on the identification of one's strengths, energy levels at work, learning working life skills for the future and thereby improving one's motivation. The job search service Monster also implemented an online course package on how to find work to facilitate employment. Together with Monster's course on how to find work, the Onni työssä course reached a total of 18,000 users. With an average of 4.6 (on a scale of 1–5), the participants of the Onni työssä gave excellent feedback. The Onni työssä course aimed at professionals was followed up in cooperation with Monster and the Finnish Children and Youth Foundation when we implemented a course package for young people both in Finnish and in Swedish in autumn 2021. The online course aimed at young people specifically focuses on supporting the strengths of young people in finding work, taking care of one's own energy levels and strengthening future working life abilities. Young people needing special support are also observed. The video course materials were distributed widely to thousands of school contact persons for use as a supplement of teaching materials related to getting to know the working life.

In addition to the Onni työssä project led by Alma Media's Corporate Communications function, Alma Media's recruitment services have several projects aimed at improving people's working life competencies in Eastern Central Europe.

In Bosnia and Herzegovina, for example, Alma Media's Kolektiv conducted a youth employment project funded by the Swiss government. In 2021, eight academies were conducted in partnership companies, providing training positions for 280 unemployed young people. In addition, Kolektiv executed a project in cooperation with World Bank, offering employment and advice services free of charge to the long-term unemployed and people who had lost their job due to the COVID-19 pandemic. In the year under review, advice services were offered to 1,950 unemployed people and employment services to 1,250 in this project. The project helped 600 unemployed people find a job. By the end of the year, 300 of these people had been employed for at least three months.

Furthermore, Kolektiv conducted the Most attractive employer survey in cooperation with Sarajevo Open Center and awarded the best employers.

In 2021, "The Most Inclusive Employer" was also awarded in the survey. This award was awarded in cooperation with the Sarajevo Open Center institution promoting human rights and the position of women and sexual minorities. The award was given to the company that was the most successful one to provide equal opportunities for all its employees. All in all, 10,700 people participated in the survey, nominating 500 companies in total.

In Slovakia, Profesia was awarded the national price for its work for the promotion of employment of people with reduced work ability as the first private sector company in 2021. The award was given for the comprehensive guidebooks prepared for people with reduced work ability about matters related to the working life. Another guidebook was prepared for employers with practical instructions and advice on the employment of people with reduced work ability. The European Career Guidance Award is issued by The European Euroguidance Network. The jury found Profesia's project more efficient than the government's employment services.

Profesia has a long-term sustainability goal to increase the competence of teaching staff in human resource management and recruitment. The Help with Heart project related to this goal has been running since 2019 already. Profesia maintains the digital Edujobs.sk service through which schools can recruit employees free of charge and the managers of schools can participate in the Academy of Directors training programme to improve their managerial skills. In 2020–2021, 21 academic managers graduated from the programme.

In the Czech Republic, Alma Media's leading recruitment company LMC is already in the third year of its cooperation with the Czechitas association, whose mission is to increase diversity in the IT industry and encourage girls and women to pursue careers in the industry. The coding courses given by the association in previous years were ended last year due to the COVID-19 pandemic, but LMC helped the association to focus its projects and courses to the correct target groups by giving the association access to its labour market data. In 2021, LMC also continued its programme under which it offers its recruitment services to NGOs and non-profits in exchange for a nominal fee of one euro. Almost 700 NGOs and non-profits participated in the programme. In the year under review, the actual value of the services amounted to approximately MEUR 7.3, and almost 7,000 jobs were opened in the programme. LMC has also offered NGOs and non-profits access to its other services – such as the Seduo.cz online training service and the Arnold survey tool – for a nominal fee. In addition to supporting NGOs and non-profits, LMC helped the residents of the Moravia province who suffered tornado damage in summer 2021. LMC's employees raised almost 5,000 euros of their own funds for people living in Moravian villages.

MojPosao, Alma Media's leading recruitment service provider in Croatia, promotes the development of the working life by its annual employee satisfaction survey aimed at companies. Companies volunteer to participate in the survey that was launched in 2007, and the employees of the participating companies evaluate their employer. The winners of the survey are awarded Best employee awards each year.

MojPosao also awards The Best HR Practice Award for the best HR practices to highlight companies and organisations as well as teams and individuals who excel in HR management and thereby improve the quality of the working life of their employees and the results of work. The award has been given since 2010 under the name of the MojPosao site. In the year under review, MojPosao organised a campaign on the International Women's Day to increase awareness of the unequal treatment of women in the labour market with regard to inequal pay and discrimination. In the year under review, the Women's Day campaign was executed in the form of job advertisement where the job title was given in the feminine form. The campaign was supported by the Ombudsperson for Gender Equality in Croatia.

FOCUS AREAS FOR THE DEVELOPMENT IN 2022

In 2021, Alma Media aims to further increase the impact of its cooperation with companies and its social projects to promote sustainable development. The resources will be focused on the Group's sustainability strategy and on the key themes in terms of the opportunities for impact resulting from the Group's business identified based on the recent materiality analysis. The materiality areas related strongly to the Group's service operations and brands as well as the related development goals will be specified in more detail in 2022, and a progress plan and indicators describing the progress will be set for each area.

Objectives of Alma Media's sustainability programme for 2022

Alma Media updated its sustainability programme based on a comprehensive materiality analysis in 2021. Objectives were set for the sustainability, and key indicators were specified.

ENVIRONMENT

- Minimising CO2 emissions

OBJECTIVE FOR 2030
Reduction of greenhouse gas emissions from own operations by 46% and those arising from the subcontracting chain by 14%

OBJECTIVE FOR 2022
Annual reduction of greenhouse gas emissions from own operations by 4.3% and those arising from the subcontracting chain by 1.2%

GOOD GOVERNANCE

- Preventing corruption, bribery and human rights violations in the business operations.
- Ensuring the data security of using the leading services in the market and preventing serious data security breaches

OBJECTIVE FOR 2022
100% of Alma Media employees have taken the Code of Conduct course

OBJECTIVE FOR 2022
50% of key subcontractors have committed themselves to observing the Group's Code of Conduct

CONTINUOUS OBJECTIVE
There were no serious data security breaches in the Group's services.

SOCIAL RESPONSIBILITY

- Responsible media, journalism and marketing
- Commitment of employees and ensuring a high quality of working life

OBJECTIVE FOR 2022
Condemnatory decisions issued to media by the Council for Mass Media < 5

OBJECTIVE FOR 2022
The Group does not publish any advertisements that violate the guidelines of good marketing practices published by the International Chamber of Commerce

OBJECTIVE FOR 2022
8/10 of Alma Media's employees would recommend their employer

OBJECTIVE FOR 2022
Quality of Working Life index (QWL) over 83%

FINANCIAL OBJECTIVE

- Profitable business growth

OBJECTIVE
Long-term targets published by the Group (see almamedia.fi)

Alma Media continuously develops its financial reporting related to the climate. One of the new aspects of this report is the description of financial risks and opportunities related to the climate according to the TCFD recommendations (Task Force on Climate-related Financial Disclosures). In accordance with the TCFD recommendations, they are described in four subject areas: governance, strategy, risk management and metrics and targets.

Table 10: Information in accordance with TCFD

Strategy	The impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	Financial risks are assessed as a part of the annual Group-level risk assessment process. The thresholds apply to all the risks in the Group's business segment and operations. The financial or strategic impacts of the risks are classified as: • substantial if the probabilities of the realisation of the risk within 6 months is high and if the net loss is over 10 million euros (high risk) • significant if the net loss is 5–10 million euros (medium risk) • minor if the net loss is 1–5 million euros (small risk).
Strategy	Climate-related risks and opportunities on the short, medium and long term	In the short term, warmer winters will complicate the harvesting of wood by the paper suppliers that operate as Alma's subcontractors, which may lead to higher paper prices. Increasingly strict national and EU-level climate regulations may also have cost impacts in Alma Media's subcontracting chain. Changes involving paper and delivery costs have an effect on the costs of print publications, for example. In the longer term, increasing extreme weather phenomena caused by climate change are predicted to increase the risk of technical disruptions to digital services in Alma Media's various operating countries. The Group manages its environmental risks by systematically developing its operations in accordance with the Group's science-based climate targets (SBTs) and by engaging in active environmental dialogue with its key suppliers.
Risk management	Links of the climate risk identification, assessment and management to other risk management within the organisation	Financial risks are assessed as a part of the annual Group-level risk assessment process. With regard to climate risks, the Group has identified the risks of, for example, extreme weather conditions, increased regulation, emission trade pricing and the pricing mechanism as well as changes in customer behaviour related to climate change. The Group has also identified the impacts of these risks on the operational costs, including the price of insurance.
Risk management	The processes used by to identify and assess climate-related risks	Climate-related risks are identified and assessed as a part of the annual Group-level risk assessment process. This covers the Group's marketing and operating environment, operational and business aspects as well as the current and future framework of regulation and reputational risks.
Metrics and targets	Scope 1, Scope 2 and Scope 3 emissions and the risks related to them	Content in Alma Media's Annual Review by the Board of Directors: Statement of non-financial information/Environmental responsibility p. 6, 23–24, and p. 142–143, 152–157 of the Sustainability report
Metrics and targets	The targets and results used to manage relevant climate-related risks and opportunities	Content in Alma Media's Annual Review by the Board of Directors: Statement of non-financial information/Environmental responsibility p. 28–29, and p. 154 of the Sustainability report

CALCULATION AND DATA COLLECTION PRINCIPLES FOR CR REPORTING

Alma Media uses the GRI Standards of the Global Reporting Initiative and the instructions of the Sustainable Accounting Standard Board, where applicable, in its sustainability reporting. As a general rule, the reporting covers all of Alma Media Group. Responsible media is still also reported under the GRI-G4 guidelines. The aspect boundaries and GRI and SASB aspects used in Alma Media's sustainability reporting are presented in the tables on pages 174–179. The 2021 report has not been subject to independent assurance.

GRI index

GRI Indicator		Location	More information
Organisation			
102-1	Name of the organisation	Alma Media	
102-2	Activities, brands, products and services	Report by the Board of Directors p. 7, 17–19, 21	
102-3	Location of headquarters	www.almamedia.fi/yhteystiedot	
102-4	Location of operations	Finland, Czech Republic, Slovakia, Estonia, Latvia, Lithuania, Croatia, Bosnia and Herzegovina, Sweden, Poland, Slovenia	
102-5	Ownership and legal form	Report by the Board of Directors p. 35	
102-6	Markets served	Financial statements p. 96	
102-7	Scale of the organisation	Report by the Board of Directors p. 28, Sustainability report p. 161	
102-8	Information on employees and other workers	p. 161	
102-9	Supply chain	p. 156–157	
102-10	Significant changes to the organisation and its supply chain	Financial statements p. 46, Report by the Board of Directors p. 14, 16	
102-11	Precautionary Principle or approach	p. 13–15, 16–17	
102-12	Externally-developed initiatives to which the organisation subscribes, or which it endorses	p. 147, 149	
102-13	Memberships of associations and advocacy organisations	p. 147, 149	
Strategy			
102-14	CEO's review	p. 142, Report by the Board of Directors p. 3–4	
102-15	Key impacts, risks, and opportunities	Report by the Board of Directors p. 21–30	
Ethics and integrity			
102-16	Values, principles, standards, and norms of behavior	Report by the Board of Directors p. 19	
102-17	Mechanisms for advice and concerns about ethics	p. 150, 160	
Governance			
102-18	Governance structure	p. 149, Corporate Governance Statement p. 115	
102-19	Delegating authority	p. 149, Corporate Governance Statement p. 119–120	
102-20	Executive-level responsibility	p. 149	
102-21	Consulting stakeholders	p. 145–146, 149	
102-22	Composition of the Board of Directors	Corporate Governance Statement 115–119	
102-23	Chair of the Board of Directors	Corporate Governance Statement 115–119	
102-24	Nominating and selecting the Board of Directors	Corporate Governance Statement 115–120	

GRI Indicator		Location	More information
102-25	Process in place for the Board to ensure conflicts of interest are avoided	p. 157, Financial statements p. 87, Corporate Governance Statement p. 127, Sustainability report p. 151	
102-26	Role of the Board of Directors in setting purpose, values and strategy	Corporate Governance Statement 115–120	
102-27	Collective knowledge of the Board of Directors	Corporate Governance Statement 115–120	
102-28	Evaluating the Board of Directors' performance	Corporate Governance Statement 115–120	
102-29	The Board of Directors' role in identifying and managing impacts and risks	p. 149, Corporate Governance Statement p. 113–114	
102-30	Effectiveness of risk management processes	Corporate Governance Statement p. 128–129	
102-31	Frequency of the Board of Directors' reviews of risks	Report by the Board of Directors p. 28–29	
102-32	The Board of Directors' role in sustainability reporting	p. 149	
102-33	Communicating critical concerns	Report by the Board of Directors p. 22	
102-34	Nature and total number of critical concerns	Report by the Board of Directors p. 22	
102-35	Remuneration of the Board and senior executives	Remuneration report p. 134–139	
102-36	Process for determining remuneration	Remuneration report p. 134–139	
102-40	List of stakeholder groups engaged by the organisation	p. 146	
102-41	Percentage of total employees covered by collective bargaining agreements		Alma Media complies with the labour legislation in all its operating countries. Information about the number of employees covered by collective bargaining agreements is available for the business operations in Finland and Sweden. In Finland, 62% of employees were covered by collective agreements at the end of 2020. In 2020, Alma Media sold its regional news media business and printing operations, and the number of organised employees is reported while taking this divestment into consideration. All Alma Media's employees in Sweden were covered by collective agreements in 2020. The divestment of the media business in Sweden has been taken into account in the reported number.
Stakeholder interaction			
102-42	Basis for identification and selection of stakeholders with whom to engage	p. 145	
102-43	Approach to stakeholder engagement	p. 146	
102-44	Key topics and concerns raised through stakeholder engagement	p. 146	
Reporting practice			
102-45	Entities included in the consolidated financial statements	p. 141	
102-46	Defining the report content	p. 145, 173	
102-47	Material topics and their calculation boundaries	p. 145, 173	
102-48	Restatements of information	p. 173	
102-49	Significant changes in the scope and topic boundaries	p. 173	
102-50	Reporting period	1 January–31 December 2020	
102-51	Date of most recent report	2 April 2020	

GRI Indicator		Location	More information
102-52	Reporting cycle	Annual	
102-53	Contact point for questions regarding the report	comms@almamedia.fi	
102-54	Claims of reporting in accordance with the GRI Standards	p. 173	
102-55	GRI content index	p. 174	
102-56	External assurance	p. 173	
Management approach			
103-1	Material topics and their Boundaries	p. 142	
103-2	The management approach and its components	p. 149	
103-3	Evaluation of the management approach	p. 149	
Economic standards			
Economic performance			
201-1	Direct economic value generated and distributed	Report by the Board of Directors p. 21	
201-4	Financial assistance received from government	p. 166	
Anti-corruption			
205-1	Operations assessed for risks related to corruption	Code of Conduct training, p. 11–12	
205-2	Communication and training about anti-corruption policies and procedures	Code of Conduct training, p. 11–12	
205-3	Confirmed incidents of corruption and the actions taken	p. 151	
Anti-competitive behaviour			
206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	p. 151	
Environmental standards			
Energy			
302-1	Energy consumption within the organisation	p. 153	
302-2	Energy consumption outside of the organisation	p. 153	
Emissions			
305-1	Direct (Scope 1) GHG emissions	p. 153	
305-2	Energy indirect (Scope 2) GHG emissions	p. 153	
305-3	Other indirect (Scope 3) GHG emissions	p. 153, 156	
305-4	GHG emissions intensity	p. 153	
305-5	Reduction of GHG emissions	p. 153, 156	
307-1	Non-compliance with the environmental laws and regulations	p. 153	
308-1	New suppliers were screened using environmental criteria	p. 156	
308-2	Negative environmental impacts in the supply chain and actions taken	p. 156–157	

GRI Indicator		Location	More information
Social standards			
Employee turnover			
401-1	New employee hires and employee turnover	p. 163–164	
Training and education			
404-1	Average hours of training per year per employee 404-1		
404-2	Programs for upgrading employee skills and transition assistance programs	p. 163–164	
404-3	Percentage of employees receiving regular performance and career development reviews	p. 163	
Diversity and equal opportunity			
405-1	Diversity of governance bodies and employees	p. 160–161	
405-2	Ratio of basic salary and remuneration of women to men		
Non-discrimination			
406-1	Incidents of discrimination and corrective actions taken	p. 160	
414-1	New suppliers that were screened using social criteria	p. 160	
414-2	Negative social impacts in the supply chain and actions taken	p. 156–157	
Public policy			
415-1	Political contributions	p. 166	
Marketing and labelling			
417-3	Incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications	p. 167–168	
Customer privacy			
418-1	Total number of substantiated complaints received concerning breaches of customer privacy and losses of customer data	p. 158	
Compliance			
419-1	Non-compliance with the laws and regulations in the social and economic area	p. 151	
Content in accordance with GRI G4			
Standards applicable to the media sector			
G4-M1	Significant funding and other support received from non-governmental sources	p. 166	
G4-M2	Methodology for assessing and monitoring adherence to content creation values	p. 166	
G4-M3	Actions taken to improve adherence to content creation values	p. 166	
G4-M4	Content accessibility, protection of vulnerable audiences and informed decision-making	p. 166	
G4-M7	Actions taken to empower audiences through media literacy skills development	p. 170	

Global Compact content index

Principle	Location
Human rights	
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.	Code of Conduct, Sustainability Report p. 150–151, 160–161
Principle 2: Businesses should make sure that they are not complicit in human rights abuses.	Code of Conduct, Sustainability Report p. 150–151, 160–161
Careers	
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Code of Conduct, Sustainability Report p. 175
Principle 4: Businesses should support the elimination of all forms of forced and compulsory labour.	Code of Conduct, Sustainability Report p. 150–151, 160–161
Principle 5: Businesses should support the effective abolition of child labour.	Code of Conduct, Sustainability Report p. 150–151, 160–161
Principle 6: Businesses should support the elimination of discrimination in respect of employment and occupation.	Code of Conduct, Sustainability Report p. 150–151, 160–161
Environment	
Principle 7: Businesses should support a precautionary approach to environmental challenges.	Sustainability Report p. 152–154, 156–157
Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.	Sustainability Report p. 152–154, 156–157
Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.	Code of Conduct, Sustainability Report p. 152
Anti-corruption	
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Code of Conduct, Sustainability Report p. 150, 160

Sustainability reporting in accordance with the SASB (Sustainable Accounting Standard Board) Reporting Framework

SASB compliance		Location	More information
TC-IM-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	p. 151	
SV-ME-270a.3	Description of approach for ensuring journalistic integrity of news programming related to: (1) truthfulness, accuracy, objectivity, fairness, and accountability, (2) independence of content and/or transparency of potential bias, and (3) protection of privacy and limitation of harm	p. 166	
SV-ME-520a.1	Description of approach to ensuring intellectual property (IP) protection	p. 157	
SV-ME-270a.1	Total amount of monetary losses as a result of legal proceedings associated with libel or slander	p. 151	
SV-ED-230A.1 **CG-EC-230A.1** **TC-IM-230A.2**	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	p. 157	
SV-ED-230A.2	Description of policies and practices relating to collection, usage and retention of student information	p. 157	
SV-ED-230A.3 **CG-EC-230A.1** **TC-IM-230A.1**	(1) Number of data security breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	p. 157	
CG-EC-220A.1 **TC-IM-220A.1**	Number of users whose information is used for secondary purposes	p. 157	
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