

ALMA

REMUNERATION REPORT

2021



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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, how-

ever, 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 com-

penensation 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 uninterrupted 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

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.

* Other employee expenses and dividing this figure by the average number of employees for the year excluding telemarketers.

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.

	Fixed annual salary (including taxable fringe benefits)	Variable remuneration components		Pension 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.



Alma Media Corporation

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