

## **REPORT OF THE OPERATIONS OF THE SHAREHOLDERS' NOMINATION COMMITTEE OF ALMA MEDIA CORPORATION IN THE PERIOD 2021–2022**

The General Meeting of Shareholders of Alma Media Corporation, held on 17 March 2015, decided, by proposal of the Board of Directors of Alma Media Corporation, to set up a Nomination Committee composed of Alma Media's shareholders. The Nomination Committee's duties include preparing proposals related to the election and remuneration of the members of the Board of Directors to be submitted to the Annual General Meeting.

The Nomination Committee for the spring 2022 Annual General Meeting of Shareholders was appointed in November 2021. Based on the ownership situation on 30 September, the following representatives of the four largest shareholders were appointed as members of the Nomination Committee: Timo Aukia, Chairman of the Board of Directors, Ilkka Group; Peter Immonen, Member of the Board, Mariatorp; Henrik Ehrnrooth, Chairman of the Board of Directors, Otava; and Timo Sallinen, Head of Listed Securities, Varma Mutual Pension Insurance Company. In addition, the Chairman of the Board of Directors of Alma Media Corporation, Jorma Ollila, has acted as an expert member in the Nomination Committee. The Nomination Committee elected Henrik Ehrnrooth as its Chair, and General Counsel Mikko Korttila as Secretary.

### **Meetings**

The Nomination Committee convened on 29 November 2021 and 25 January 2022.

All members of the Nomination Committee attended the meeting.

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

#### Number of members of the Board of Directors and proposal for the composition of the Board

The Nomination Committee endeavours to recruit to the Board of Directors diverse and extensive competence that supports the relevant strategic goals and also meets the defined principles concerning the diversity of the Board of Directors.

The Nomination Committee proposes to the Annual General Meeting of Alma Media Corporation, scheduled to be held on 29 March 2022, that the number of the members of the Board be confirmed to be eight (8).

Of the current Board members, Jorma Ollila has announced that he is no longer available to serve as a member of the Board of Directors of Alma Media Corporation.

The Shareholders' Nomination Committee proposes that the current Board members be re-elected for the new term of office, extending until the end of the next Annual General Meeting: Peter Immonen, Esa Lager, Alexander Lindholm, Petri Niemisvirta and Catharina Stackelberg-Hammarén, and that Eero Broman, Heikki Herlin and Kaisa Salakka be elected to the Board of Directors for the same term of office as new members. The Nomination Committee further proposes that Catharina Stackelberg-Hammarén serve as the Chair of the Board of Directors and Eero Broman serve as the Vice Chair.

All the proposed Board members are assessed to be independent of the company. All the Board members, with the exception of Eero Broman, Heikki Herlin, Peter Immonen, Esa Lager and Alexander Lindholm, are also assessed to be independent of the company's significant shareholders. The proposed Board members are assessed to be dependent of the company's significant shareholders based on the following grounds: Eero Broman has been a member of the Board of Otava Ltd for over 10 consecutive years in 2022 (a relationship with a significant shareholder pursuant to subsection j) of Recommendation 10 of the Corporate Governance Code). Heikki Herlin is the Chair of the Board of Directors of Mariatorp Oy, Peter Immonen is a member of the Board of Directors of Mariatorp Oy, Esa Lager is a member of the Board of Directors of Ilkka-Yhtymä Oyj, and Alexander Lindholm is the CEO of Otava Group.

Eero Broman (b. 1963, Master of Science in Economics) has acted as a member of the Board at Broman Group since 1987 and as the CEO of Broman Companies Ltd since 2019. Broman is also, inter alia, a member of the Board at Motonet Ltd and Otava Ltd.

Heikki Herlin (b. 1990, Graduate in Political Sciences) has acted as the Chair of the Board of Directors at Mariatorp Ltd since 2017. Herlin is also, inter alia, a member of the Board at Yellow Film & TV Ltd and at the publishing company Teos.

Kaisa Salakka (b. 1979, Master of Science in Economics) has served as Head of Product and Research at the Unity Software Inc. since 2015. Salakka is a member of the Board at the Finnish startup association.

The personal details of the current members of the Board and information on their positions of trust can be found at <http://www.almamedia.fi/en/investors/governance/board-of-directors>.

All the proposed members of the Board of Directors have given their permission for their election.

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

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

The Shareholders' Nomination Committee proposes that the remuneration of the Board of Directors be kept unchanged, and that the following annual remuneration be paid to the members of the Board of Directors to be elected at the Annual General Meeting for the term of office ending at the close of the Annual General Meeting 2023: 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 would 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. It is proposed that the travel expenses of Board members be compensated in accordance with the company travel regulations.

It is proposed that the above-mentioned attendance fee for each meeting be

- 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 2022 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 2022 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.

#### Expenses of the Nomination Committee

The members of the Nomination Committee are not entitled to receive remuneration from the Company for their participation in the Nomination Committee. The Board members' travel expenses will be compensated in

accordance with the company's travel policy. The members of the Nomination Committee have not accrued any travel expenses to be reimbursed.

The Shareholders' Nomination Committee has used an external expert in finding and evaluating successors to the members of the Board of Directors. This expert consultation resulted in expenses totalling EUR 48,000, including value added tax.

Helsinki, 25 January 2022

Henrik Ehrnrooth  
Chair of the Nomination Committee