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Welcome to Sanoma Sustainability Day 2021!

**Helping to shape the future
through inclusive learning
and independent media**

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Agenda

EET

- 14.30 Opening remarks**
Kaisa Uurasmaa, Head of Investor Relations and Sustainability, Sanoma Group
- 14.35 Helping to shape the future through inclusive learning and independent media**
Susan Duinhoven, President and CEO, Sanoma Group
- 14.55 Inclusive learning solutions to help all students reach their potential**
Rob Kolkman, CEO, Sanoma Learning
- 15.10 Data is at the core of our business**
Ken Bårdsen, CIO, Sanoma Group
- 15.20 Trusted Finnish journalism and inspiring entertainment, now and in the future**
Pia Kalsta, CEO, Sanoma Media Finland
- 15.30 Passionate and valued people are key to our success**
Gieta Veersma, CHRO, Sanoma Group
- 15.45 Aiming to achieve net-zero emissions by 2030**
Susan Duinhoven, President and CEO
- 15.55 Q&A**
All speakers
- 16.30 Closing remarks**
Kaisa Uurasmaa, Head of Investor Relations and Sustainability





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Sanoma Sustainability Day 2021

**Helping to shape the future
through inclusive learning
and independent media**

Susan Duinhoven, President & CEO

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Both learning and media play a key role in society...

Sanoma Learning

We develop inclusive learning solutions that help all students to reach their potential

Sanoma Media Finland

We provide trusted Finnish journalism and inspiring entertainment, now and in the future

Financial impact of sustainability already included in outlook and long-term targets

...and they are poised for further growth

- Growing European K12 learning company, net sales have doubled during the past five years
- Leading cross-media company in Finland, successful in its digitalisation
- Close to 5,000 employees in 11 countries

Outlook 2021

- Net sales 1.2–1.3 bn€
- Operational EBIT margin excl. PPA 14–16%

A stylized map of Europe in shades of blue and white. Two circular callouts are overlaid on the map. One is purple and located in the north, and the other is teal and located in the south.

Media Finland
reaches
97%
of all Finns
every week

Learning
serves
20m
students
in 11 countries

We continue forward on our successful transformation path

1. From a versatile media house to a growing European K12 learning company with a focused and leading media business in Finland

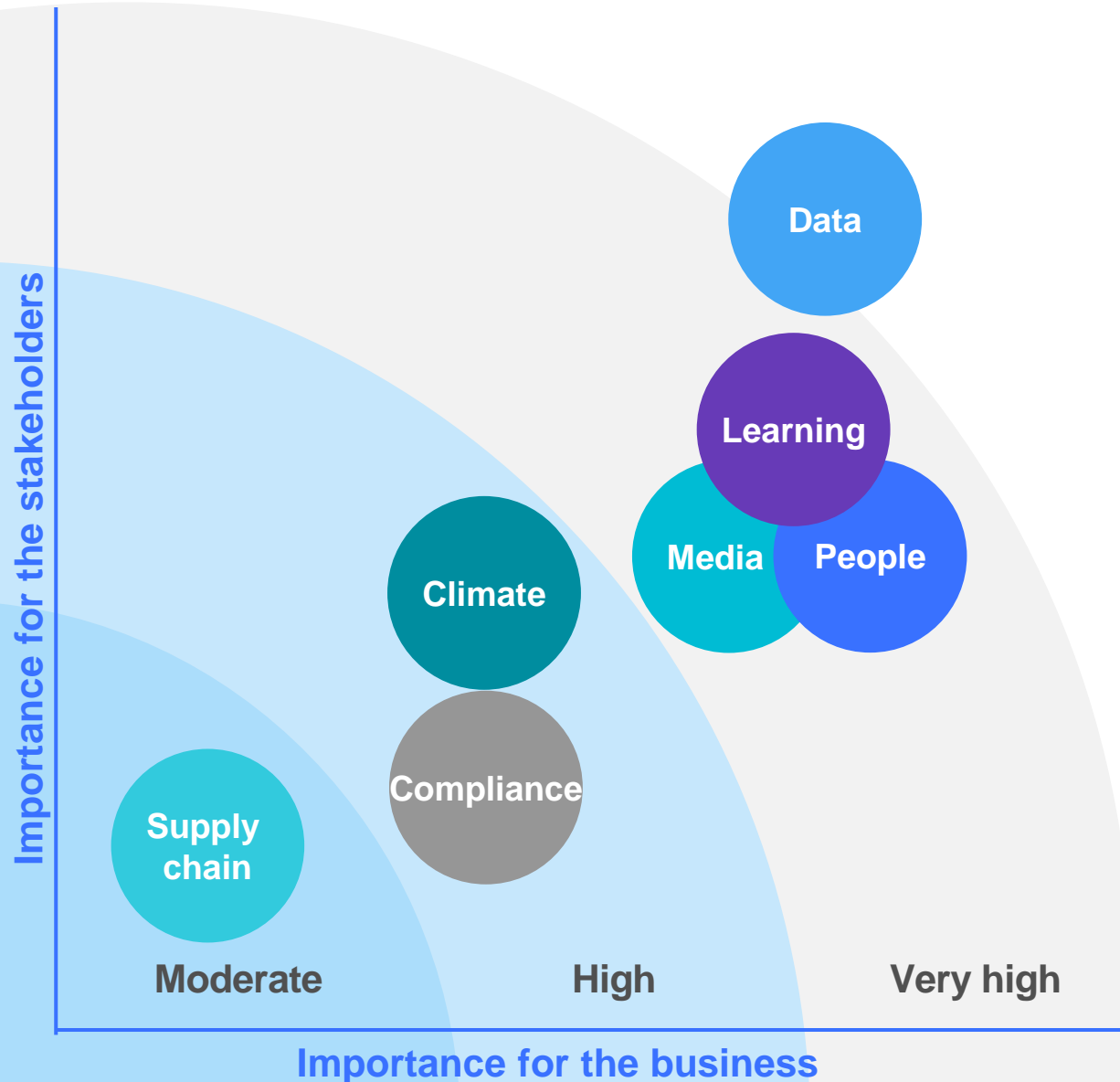
- Close to 70% of earnings from the learning business
- Nearly 60% of media revenues from B2C, of which 2/3 subscriptions

2. Digital transformation

- Hybrid offering in learning, target to grow the share of subscription sales to 50% by 2025 (2020: 25%)
- Helsingin Sanomat growing for the 4th consecutive year – 70% of all subscriptions have a digital component
- Stable revenue development of Ilta-Sanomat
- Strong growth in Ruutu+ VOD subscriptions increasing B2C income also in our entertainment business



We engage and listen to our stakeholders...



...to update and clarify our sustainability strategy...

- 1,500 customers, suppliers, investors, NGOs and employees around Europe participated autumn 2020
- Board and Executive Management Team clarified priorities based on these inputs

...and shape our sustainability framework

- **Data** clearly prioritised as the most important sustainability theme both externally and by the management
- Sustainability themes common to all companies – **climate, people and compliance** – both in our own operations and throughout the value chain
- Role and **positive impact of learning and media** in society is unique to us

SANOMA SUSTAINABILITY STRATEGY

Creating a positive impact – every day...

1. INCLUSIVE LEARNING

We develop inclusive learning solutions that help all students to reach their potential

2. SUSTAINABLE MEDIA

We provide trusted Finnish journalism and inspiring entertainment, now and in the future

6. RESPONSIBLE BUSINESS PRACTICES

Good governance, ethical business practices and supply chain integrity are fundamental for us

3. TRUSTWORTHY DATA

We use the data you trust us with to make learning and media better

5. VITAL ENVIRONMENT

We act to reduce our climate impact and build fact-based awareness of sustainability

4. VALUED PEOPLE

We promote equality and provide an inspiring workplace with excellent opportunities to develop



...through actions strongly linked to the Sustainable Development Goals



**In May 2021, we joined
the UN Global Compact
as a signatory**

Good governance practices are embedded in our daily work

- We have well-established governance practices in place and active Board oversight on all aspects including sustainability
- Audit Committee responsible for preparing financial and sustainability topics for the Board's decision making

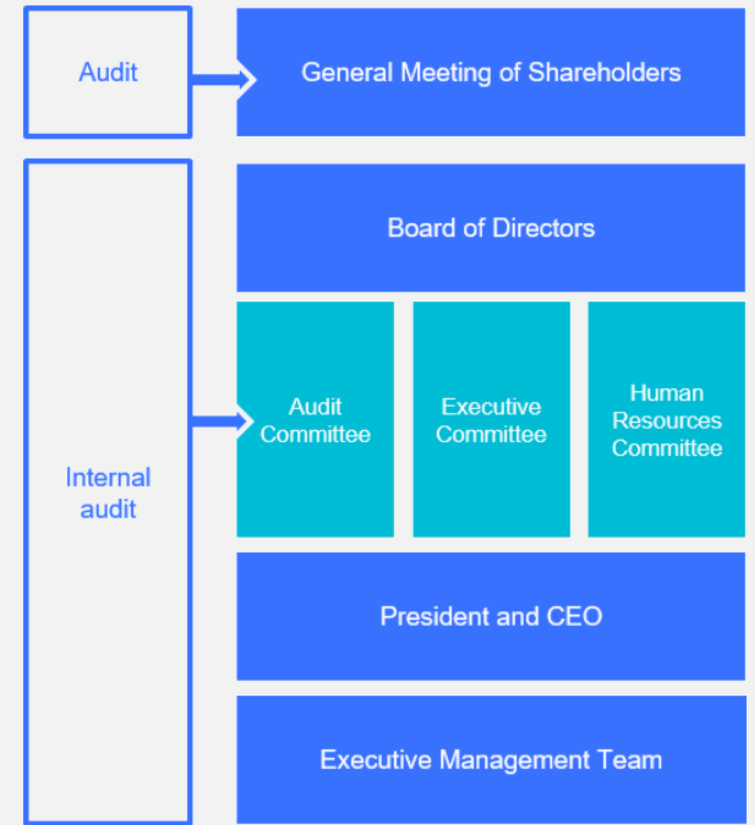
Compliance supported through continuous internal training and e-learning

- Introduced to the newly acquired companies within 3–6 months after closing of the acquisition

Code of Conduct acting as an overarching umbrella for our ethics and key policies, which include e.g.

- Anti-bribery and corruption policy
- Diversity and inclusion policy
- Donations policy
- Privacy and data protection policy
- Related party policy
- Remuneration policy
- Tax policy

Our governance model



Our remuneration is aligned with shareholders' interests

Sustainability is integrated into remuneration

- Majority of employees participate in performance-based short-term incentive programmes
- 80% of shared performance criteria 2021: Operational EBIT and free cash flow
- 20% of shared performance criteria 2021: Sustainability-related KPIs (employee engagement and data/privacy-related criteria) when relevant for the position

Over 200 employees participating in performance-based, long-term share incentive programme

- KPIs include free cash flow and operational EPS
- Currently performance period one year + vesting period two years

Senior management remuneration strongly performance-based

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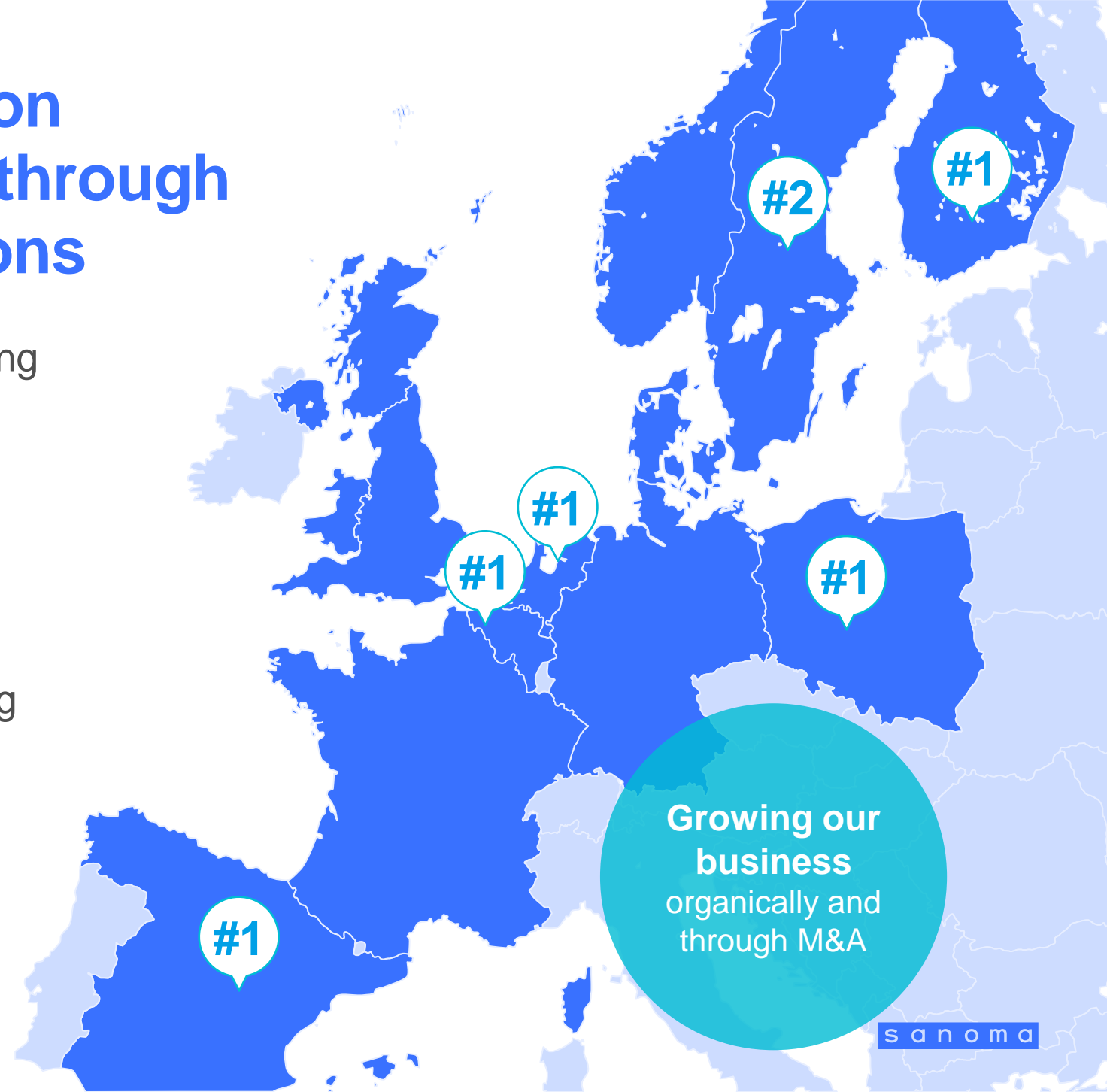
Sanoma Sustainability Day 2021

Inclusive learning solutions to help all students reach their potential

Rob Kolkman, CEO, Sanoma Learning

We support over 20 million students across Europe through inclusive learning solutions

- We are the leading European K12 learning services provider
 - Printed and digital learning materials
 - Material distribution
 - Digital platforms for teaching and learning
 - Digital platforms for school administration
- One-stop-shop with an integrated offering sold increasingly as subscriptions
- We operate in 11 countries and have 2,700 employees



Our best-in-class learning solutions support the school day



Helping every child learn through best-in-class learning solutions



Supporting teachers in motivating students and teaching efficiently



Offering parents the opportunity to follow learning outcomes

Our ambition is to help all students reach their potential

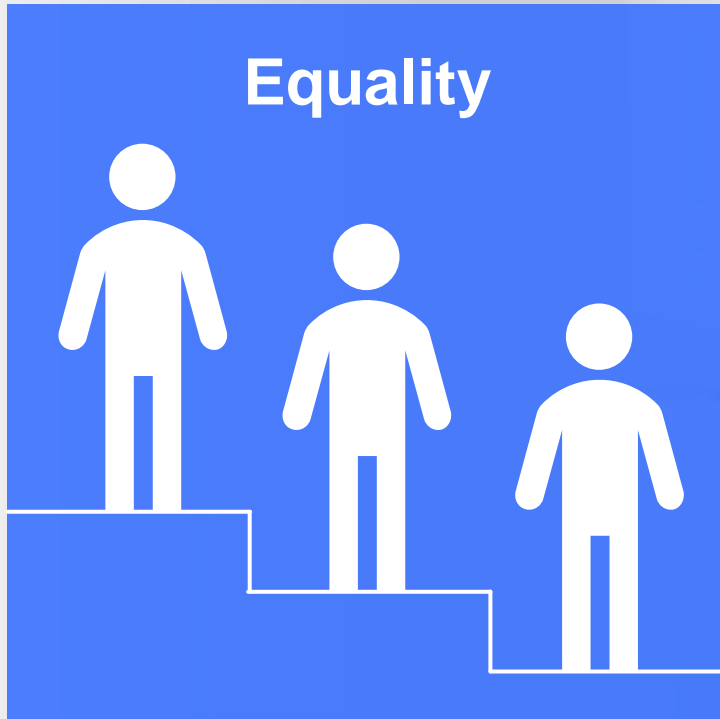
1 We **co-create** high-quality and motivating learning materials with teachers fitting the local curriculum

2 We **promote** equal access to education

3 We **develop** inclusive learning solutions that support diversity and differentiation



For us inclusive learning is reaching out to support every child



We know that our learning solutions work

97%

of teachers say our materials support them in reaching curriculum objectives *


87%

of teachers say our materials support them in managing their classes efficiently.. *

...helping teachers save approx.

8 hours

of working time a week and improving learning outcomes *

A group of young children in a classroom are gathered around a tablet. One child in a yellow sweater is holding the tablet, while others, including a girl in a red sweater, look on with interest. The scene is brightly lit, suggesting a modern educational environment.

Delivering inclusive learning solutions to help all students reach their potential

1. We impact over 20 million students across Europe through inclusive learning solutions
2. It is our mission to help all students to reach their potential – we believe delivering inclusive learning is key in achieving this
3. We continue to grow our business and positive impact on learning, organically and through M&A

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Sanoma Sustainability Day 2021

**Data is at the core
of our business**

Ken Bårdsen, Chief Information Officer

Data powers our growth

20 million students

In Sanoma Learning, data empowers teachers to optimise teaching and students to learn through personalised learning

Protecting personal data throughout its entire lifecycle is at the core of our everyday business

97% of all Finns

In Sanoma Media Finland, we develop high-quality and personalised media with the customer data entrusted to us

In Learning, digital transformation is accelerating...

We process data on behalf of our customers, i.e. schools and municipalities, to create better learning experiences and solutions

During 2020 we supported schools in the rapid shift to remote learning by opening many digital learning solutions for free for teachers and students

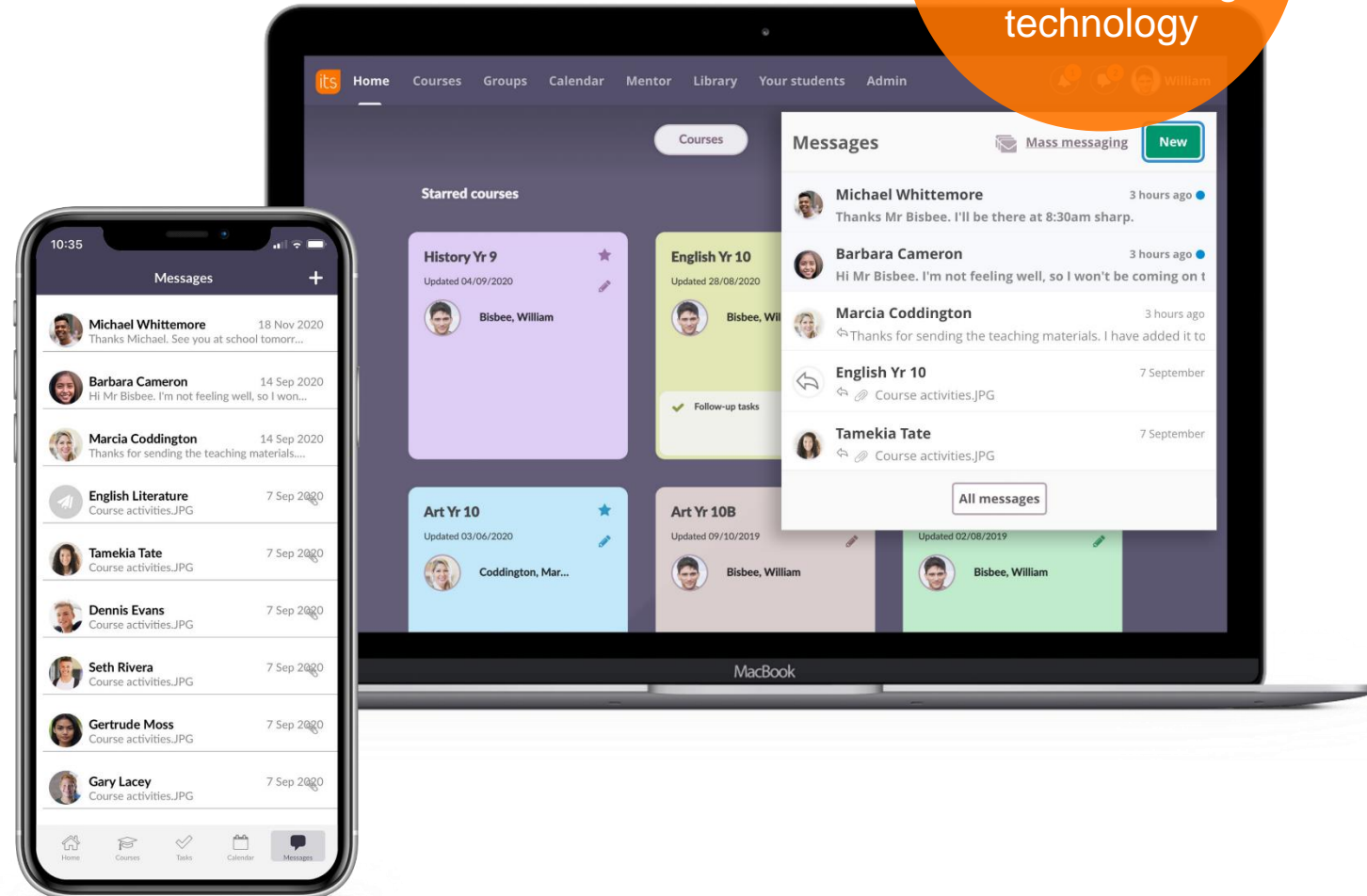
+31%
growth in the use of our digital platforms during the past year *

....our leading solutions help deliver better learning outcomes for millions of students

itslearning –
with a mission
to improve
education through
technology



Bingel –
primary education
platform that
engages every
pupil and
teacher



In media, data helps us to deliver trusted and inspirational content in innovative ways...

Data

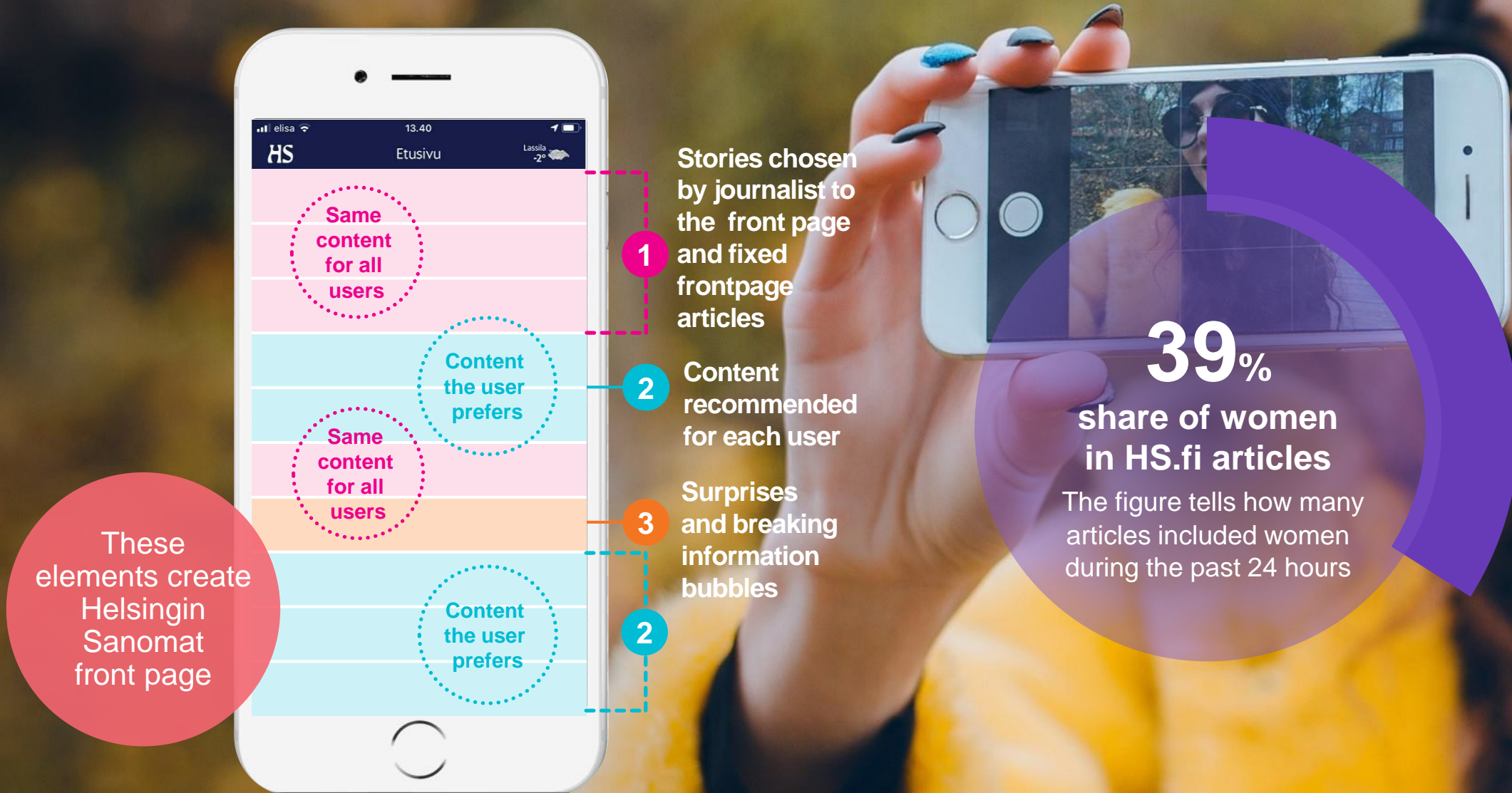
Subscriptions
Consumer preference
Enhanced content

Outcomes

Targeted Customer advertising
Enhanced Consumer experience
Increasing trust and inspiration

In Sanoma Media Finland, our priority is to safeguard the personal data of our customers, readers and viewers

... and to create fact-based journalism



We have robust programmes to safeguard and ethically use data...



Our key actions

- Running a Privacy Programme since 2013
- Share of information security investments of all ICT investments has increased
- Advanced Privacy- and Security-by-Design process
- Developing ethical guidelines for AI and machine learning

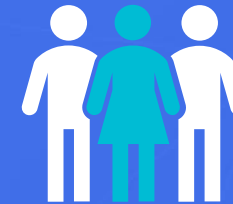
...and our Board has active oversight on this process

Our Privacy- and Security-by-Design process



Continuous training

of all employees in privacy and information security



0

Major privacy breaches



+35

business champions with privacy responsibilities



20

business continuity programmes during last year



Secure and ethical use of data is at the core of our sustainability strategy

1 **Data drives** quality learning and helps sustain independent media

2 **Our Privacy Programme** safeguards data while enabling its transparent and compliant use

3 **We use** AI responsibly and transparently





We care
about data

Data is at the core of our business

- Data is at the core of both our learning and media business every day – it has an impact on the lives of our customers every day
- Data drives our growth: use of digital learning services accelerating and user experience and content for media customers can be enhanced
- Robust data governance and processes in place for safeguarding and ensuring ethical use of data

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Sanoma Sustainability Day 2021

**Trusted Finnish journalism and
inspiring entertainment,
now and in the future**

Pia Kalsta, CEO, Sanoma Media Finland

Sustainable media, now and in the future...

Our business
We reach 97% of Finns



Our impact
We provide trusted journalism and inspiring entertainment



HELSINGIN SANOMAT

AAMULEHTI

SATAKUNNAN
KANSAA

kodin
suurlehti

menaiset

ruutu

RADIO SUOMI POP

ILTA-SANOMAT

HS VISIO

TIEDE

ruoka&viini

Walt Disney
AKU ANKKA

supla

LOCP

4

sanoma

...through strong positions in news & feature, entertainment and B2B

1

We promote

open democracy and freedom of speech through our independent media

2

We increase

awareness, empathy and tolerance with our journalism

3

We empower

shared experiences with entertainment and support the local audio-visual community

4

We enable

companies to thrive through marketing in our curated media



Promoting open democracy and freedom of speech through media literacy with HS Kids news

Weekly newspaper with 20,000 subscriptions

Launched in August 2020



Weekly video since 2016



In 2020, Fanny Fröman from HS Kids News received the award for information disclosure granted annually by the Ministry of Education and Culture in Finland

Increasing awareness of global and local sustainability issues with fact-based and independent journalism



70
articles about environment in Helsingin Sanomat in April 2021...

...driven by readers' interests

Helsingin Sanomat makes consistent campaigns in line with our values, for example the Climate Font



Events for a better tomorrow – seven event promises

Nelonen Media Live, the leading festival organiser in Finland, is committed to seven sustainability promises. It wants to become a sustainability leader in its class and will produce

1

Safe

2

Accessible

3

Communal

4

Carbon-neutral

5

Sustainable infrastructure

6

Fair employment

7

Entertaining events



Providing trusted Finnish journalism and
inspiring entertainment,
now and in the future

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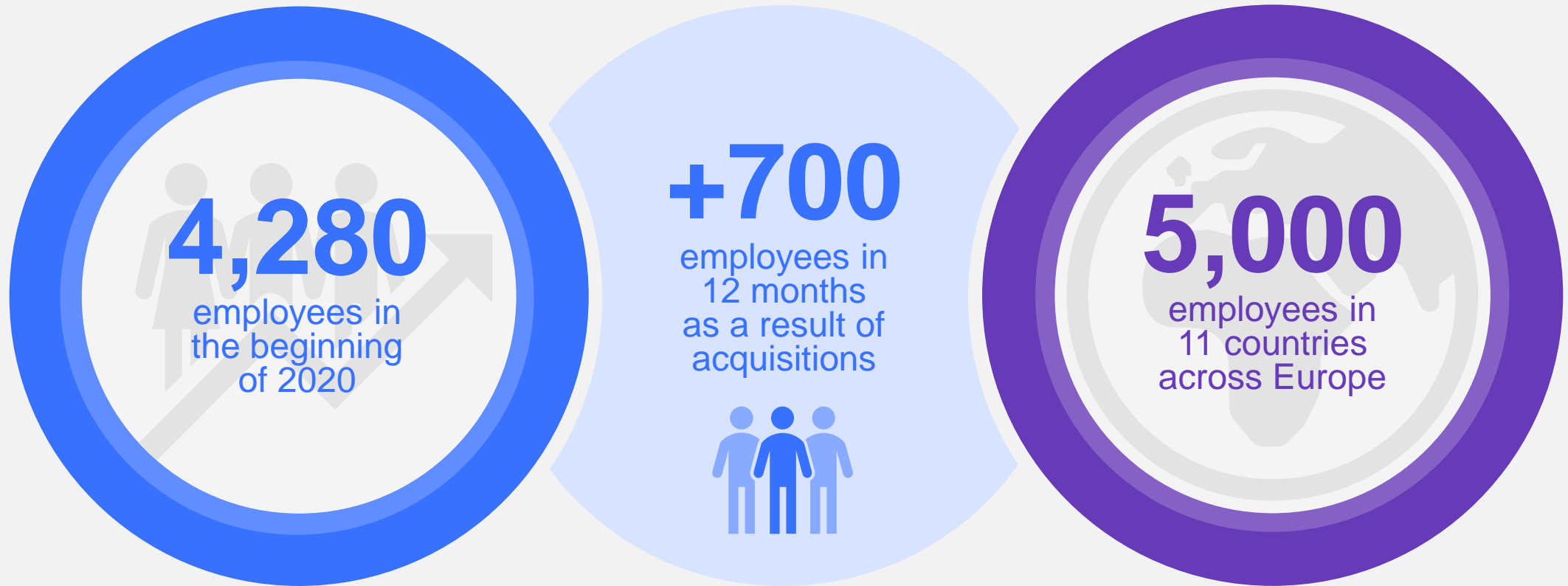
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Sanoma Sustainability Day 2021

**Passionate and valued
people are key to our
success**

Gieta Veersma, Chief Human Resources Officer

Growing bigger - together



Our people strategy creates tangible, sustainable results

1 **Our people create** our knowledge capital and together we promote wellbeing, training and safety

2 **We create** an equal and inclusive workplace together

3 **We are a great workplace** and support an inspiring and sustainable company culture



People are our knowledge capital - we invest in talent and leadership development

150

managers attending virtual leadership training



35

talents per year attending talent programme to develop future leadership



Centres of Excellence

Visual Design
Pedagogies
Product development
Sales & Marketing



Competence development

Dialogue and planning to support professional development
Extensive offering of online training



We invest in supporting work-life balance and reducing stress factors

Developing mental wellbeing

- Mental wellbeing services
- Projects to build work-life balance and reduce stress factors
- Fighting loneliness: Work to Belong project



2.4%

low sick-absence rate of employees

Developing physical wellbeing

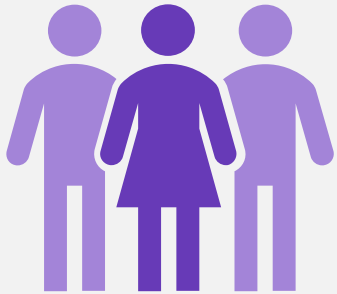
- Physical wellbeing services
- App for break exercises during the day
- Daily remote training sessions free of charge



We create an equal and inclusive workplace

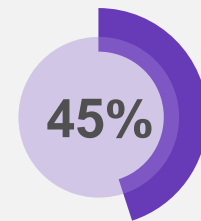


Our inclusive culture improves engagement

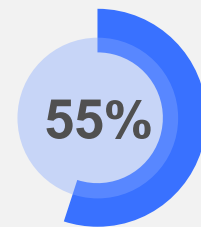


Employees feel they have equal opportunities at Sanoma according to our Employee Engagement Survey

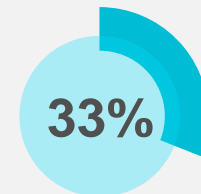
Gender equality and (age) diversity create better results



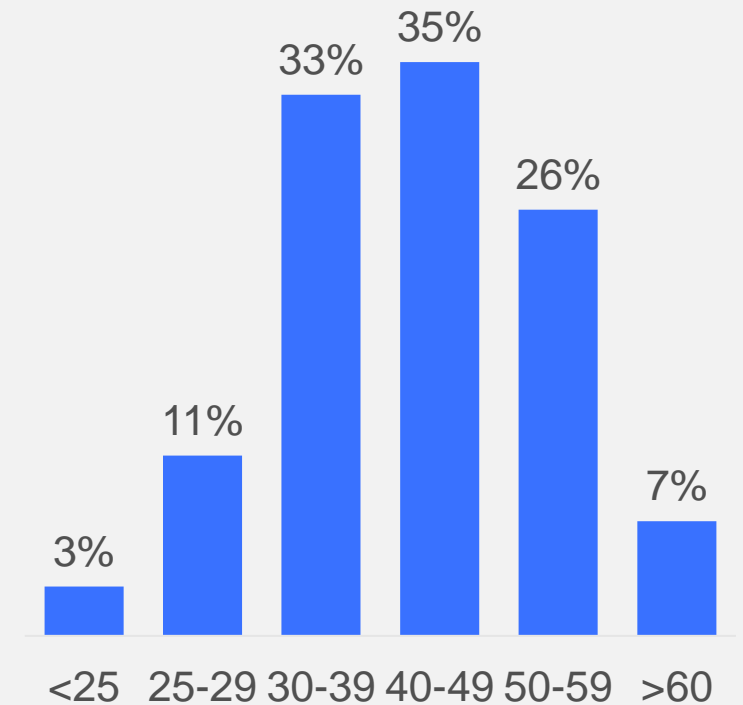
of all employees are women



of line management are women



of Board members are women



We are a great place to work

88%

response rate
in Employee
Engagement Survey

71.1%

Employee
Engagement
score

10.6%

employee turnover

8.6_eNPS

Employer Net
Promoter Score
on scale 0-10



Priorities to support our growth and success

1. Continue to invest in knowledge, competences, engagement and wellbeing of our workforce
2. Continue to build diversity and inclusive workplace
3. Continue to show Sanoma is a great place to work

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Sanoma Sustainability Day 2021

Aiming to achieve net-zero emissions by 2030

Susan Duinhoven, President & CEO



We contribute to protect the climate and build awareness...

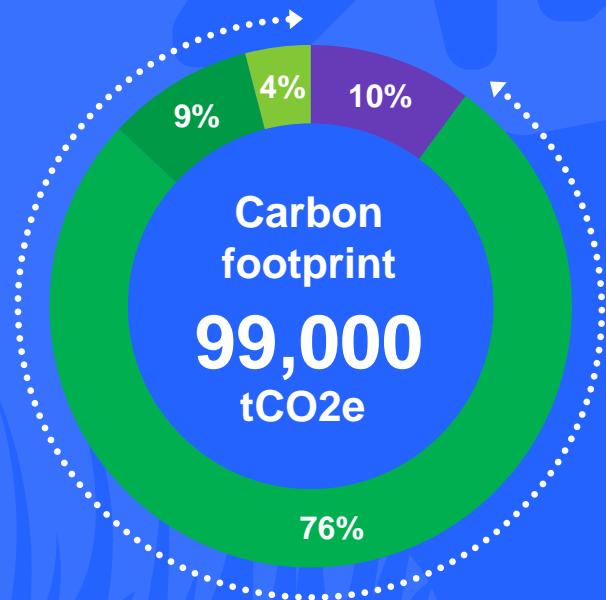
1 We set science-based emission reduction targets and will have net-zero emissions by 2030

2 We strive to minimise our environmental impacts across the supply chain

3 We increase the fact-based climate and environmental awareness



...and aim to achieve net-zero emissions throughout the value chain by 2030



- Scope 1 & 2: Own operations
- Scope 3: Purchased goods and services
- Scope 3: Upstream and downstream transportation and distribution
- Scope 3: Waste generated

Our facilities account for **10%** of all emissions



Our largest impact is our **positive** brain-print: delivering fact-based information on climate change



90% of our emissions derive from our value chain



Data used: **Supplier selection for cloud services resulting in low emission**

Three ways of transforming our business to carbon-neutral

1

We transform our own operations

Continue investing in energy efficiency and using renewable energy



Examples of our action

- Use of renewable energy in all facilities
- Offset reserve power used
- Minimise waste and maximise recycling
- Minimise and offset business travel

2

We engage throughout our value chain

Cooperating with our suppliers to reach net-zero



Examples of our action

- Integrating climate targets to our supplier selection
- Supplier selection in cloud services and transportation already resulting in lower emissions
- Lowering paper grammages
- Using sustainably produced certified paper

3

We are a fact-based voice for change

Creating discussion, and educating and training our own staff to reduce climate impact where possible



Examples of our action

- Creating discussion and delivering high-quality learning content for change
- Cooperating with NGOs
- Reporting according to TCFD and the EU taxonomy
- Training our employees on climate change

We validate our climate targets by committing to the Science-Based Target Initiative





Two focused and leading businesses poised for further sustainable growth

- Sanoma is a sustainable company with learning and media having a positive impact on society
- We continue to grow Sanoma Learning, the leading European K12 learning business
- We are the leading cross-media company in Finland and continue our successful digital transformation
- We have 300-400m€ headroom for M&A and focus on growing our learning business further
- We pay a solid dividend

A photograph of two young women with long brown hair, wearing sunglasses, looking at a smartphone held by the woman on the left. They are outdoors, with a blurred background of buildings and a clear blue sky. The woman on the right is pointing at the screen. The Sanoma logo is overlaid on the image.

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Creating positive impact – every day