

ESG QUESTIONNAIRE

General industry

The industry's three biggest sustainability-related challenges according to Sanoma are:

1. Transparent and trustworthy use of customer data
2. Employee wellbeing, diversity and training – keeping our talents
3. Independency of media and responsible marketing practices

How does Sanoma compare to industry peers regarding sustainability initiatives?

Sanoma has an AA rating in the 2020 MSCI ESG Rating Index. Companies are scored on an industry-relative AAA-CCC scale. MSCI Inc. is one of the world's largest providers of ESG Indexes.

Is Sanoma a signatory of the UN Global Compact or Science Based Targets, reports to the CDP or engages in any other relevant sustainability initiatives?

The Sanoma Code of Conduct encompasses the Ten Principles of the UN Global Compact on human rights, labour, environment and anti-corruption though we are not a direct signatory. We participate in the Responsible Media Forum (RMF), a partnership between leading media companies to identify and impact the social and environmental challenges facing the sector, and FIBS, Finland's leading corporate responsibility network. Sanoma is also a member of the CLC (Climate Leadership Coalition), a partnership of Finnish businesses and research organizations to respond to climate change.

Sanoma has reported on corporate climate action through the non-profit Climate Disclosure Project (CDP) continuously from the year 2014 onwards, and was rated D (scale A-D) in the 2020 survey. Sanoma has also reported in the CDP Forests survey and was rated C in the Timber section. In 2021 and onwards, we aim to improve our results

according to our updated Sanoma Sustainability Strategy.

We are committed to the UN Sustainable Development Goals through our Sanoma Sustainability Strategy.

Environment

Sanoma's climate-related opportunities are:

1. Use of lower-emission sources of energy resulting in reduced indirect (operating) costs. Close cooperation internally and with suppliers can result in cost-savings through energy efficiency, efficient material usage, minimising waste and minimising travel.
2. Active approach and visible measures in mitigating Sanoma's emissions can result in positive brand development.
3. Shift in consumer preferences towards low carbon products can create an opportunity to develop Sanoma increasingly towards a carbon neutral learning and media company. This can create further competitive advantages.

Sanoma's three primary risks related to climate change are:

1. Sanoma is exposed to a risk of increasing energy pricing through carbon taxes, which could increase Sanoma's cost of operations. Office facilities use energy for heating and IT services and the printing facilities both in learning and media are also dependent on energy. Still, energy is only a small part of our total operational cost.
2. International consulting company Brand Finance has listed Sanoma to be the 18th most valuable company brand in Finland. Even though our business as a learning and media company is not highly carbon-intensive, all companies face increasing stakeholder expectations regarding their environmental practices. Reputational

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risks can reflect on our brand and could reduce stakeholder interest to purchase from, invest in or work for Sanoma.

Therefore, any mismatch in Sanoma's environmental actions could expose Sanoma to reputational risk.

3. Increased severity and frequency of extreme weather events such as floods or storms could lead to decreased revenues due to reduced production capacity in Sanoma's printing plants due to power cuts or delivery issues. We estimate this risk to be low.

Sanoma's climate-related investments are:

- Setting emissions reduction targets for our own operations (Scope 1 & 2) and throughout the value chain (Scope 3)
- Calculating and following Sanoma's emissions throughout the value chain in accordance with the GHG Protocol
- Energy efficiency improvements in office and printing facilities
- Transition to renewable energy in owned and leased office facilities
- Co-operation with suppliers to mitigate environmental effects and reduce emissions

Does Sanoma rely on any scarce resources for its operations? What efforts are made to mitigate the risk of those resources becoming even more scarce in the future?

Sanoma uses about 55 tonnes of paper annually to produce learning materials, newspapers and magazines. Our Paper Procurement Standard is annexed to all paper procurement agreements with suppliers. The aim is to ensure that paper used by us is produced responsibly and originates from traceable and verified sources. Our target is that all wood fibre in paper qualities used by Sanoma will originate from certified sources. Overall, driven by the prevailing trend of media consumers moving from printed to hybrid and

digital media products, comparable paper usage is in decline.

Transition-related risks: Does Sanoma anticipate any risks or opportunities due to the transition to a carbon-neutral society? Is there any risk of the firm's offer being negatively affected? If yes, is Sanoma well positioned to handle that risk?

Opportunities: Legislation and policies to speed up the mitigation efforts of our suppliers could support us in reaching our climate goals. Sanoma has advanced its digital development in most products as far as or further than its competitors. Further digitalisation will lead towards a carbon-neutral society as well as improve Sanoma's market position and profitability.

Risks: Risk of rising pricing of the production and transport of learning materials, newspapers and magazines due to carbon taxes or suppliers investing in carbon neutral production and transport. Close co-operation with suppliers increases visibility to risk and helps anticipate changes in the supply chain.

Sanoma's primary means of making a positive environmental impact or minimising negative environmental impact. How are they tracked and communicated?

1. Sanoma sustainability strategy goals: Zero emissions by 2030
2. Energy efficiency and transition to renewable energy in our own operations

Our climate-related action is communicated and KPI's reported in our Sustainability Review 2020 and at Sanoma.com.

Social

Does Sanoma have a history of accidents? If so, how have these been managed? Are there any preventive measures, such as policies?

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Sanoma owns three printing facilities in which the work differs from office work. We follow and report accidents at work only concerning our printing facilities. Sanoma has no direct policies to guide this, but all printing facilities have a safety management system in place. Accidents are reported to all printing facility workers and communicated on-site daily. Developing employee awareness is the primary means of ensuring safety at work. No work-related serious or fatal accidents have taken place during last years. The lost time accident injury rate (LTA) for our own printing facilities was 17.2 during 2020. LTA is the number of lost time injuries that occurred during the reporting period per 1 million man hours worked. Accidents in the printing facilities usually involve tripping or slipping. During 2020, nine injuries occurred of which two while commuting to work.

Does Sanoma conduct any community engagement activities aside from those directly connected to the business?

Annually, we support carefully selected partners with donations to strengthen our positive impact on society. During 2020, we supported corona-related initiatives, freedom of speech and media education, youth social wellbeing and climate efforts through donations. In total, Sanoma's donations amounted EUR 788,000 in 2020.

Circular economy: How are purchases and waste managed?

We aim to prevent and minimise environmental impacts by efficient operations and use of materials as well as responsible procurement. Our Paper Procurement Standard is annexed to all paper procurement agreements. The aim is to ensure that paper used by us is produced responsibly and originates from traceable and verified sources. Our target is that all wood fibre in paper qualities used by Sanoma will originate from certified sources.

Sanoma owns three printing facilities. Our printing facilities operate using environmental guidelines approved by the printing facilities management. We also use the ISO 14001 environmental management system. These combine the quality, environmental and safety management into one integrated management system. Materials used in

our printing facilities are minimized and we follow the amount of paper, printing plates and ink used. Raw materials that are as harmless as possible to employees and the environment are selected as production materials. Through material choices, special attention is paid to post-consumption recyclability and waste management. We also aim to maximize the waste recycling rate.

Are there any goals, policies, or codes of conduct applicable to Sanoma's suppliers? How often does Sanoma conduct audits of its suppliers?

Sanoma Supplier Code of Conduct (the Supplier Code) sets out the ethical standards and responsible business principles, which our suppliers are required to comply with and expected to also apply to their employees, affiliates and sub-contractors. Ensuring a sustainable supply chain begins from selecting suppliers. Our Know Your Counterparty (KYC) process identifies the risks of doing business with third parties by looking at their ownership, activities and role. We annually follow the number of new Sanoma suppliers committed to the Sanoma Supplier Code aiming to have full coverage. During the year 2020, 100% of new suppliers committed to the Supplier Code through their Frame Agreement with Sanoma.

Governance

Do all staff members receive continuing education on anti-corruption? Is there an external whistle-blower function? Are there any ongoing or historical incidents involving corruption, cartels or any other unethical business conduct? Have any preventive measures been taken?

The Sanoma Code of Conduct (The Code) outlines the shared ethical standards for employees and business partners. Employees are required to apply the Code and all policies in full. Sanoma's anti-bribery and corruption policy gives specific rules

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and monetary limits for received and given gifts (EUR 75), and entertainment and hospitality (EUR 100), and sets out the process to seek further approval through a separate gift and hospitality tool if necessary. When it comes to public officials, receiving and giving gifts is always subject to approval. To ensure compliance, our people are trained through compulsory e-learning on the Code and the Anti-Bribery and corruption policy.

Sanoma's externally hosted, independent whistleblowing hotline enables reporting of suspected misconduct confidentially and anonymously. No cases of discrimination were reported in 2020. During 2020, a total of 16 potential non-compliance cases were reported to the Sanoma Compliance and Ethics Working Group in confidence. All cases were investigated and concluded to the Audit Committee responsible for oversight. Half of the allegations reported in 2020 were found to be partially or completely valid. The type of misconduct cases that were found to hold true were third-party IPR infringement, supplier payment delay, harassment and disclosure policy related. All proven cases were handled with care and respecting the privacy of the parties. Misconduct leads to disciplinary, legal or other actions. By the end of the year 14 out of the 16 incidents were resolved and cases completed and no further action was required by the organization.

Sanoma's business tax residence:

Finland

Are there independent members in the Board of Directors?

According to the Board's annual evaluation all members of the Board are non-executive and independent of the Company. Eight out of ten members are also independent of major shareholders. Antti Herlin is non-independent of a major shareholder: 19,716,800 (12.1%) Company's shares in direct and indirect ownership on 31 December 2020. Nils Ittonen is non-independent of a major shareholder: Chairman of Jane and Aatos Erkkö Foundation that held 39,820,286 (24.4%) Company's shares on 31 December 2020.

Please state if and to what extent, Sanoma has transactions with related parties:

Sanoma has a Related Party Policy, under which members of the management defined by the policy are under obligation to submit planned related party transactions for prior approval. Related party transactions are reported in Note 29 of the Financial Statements 2020.

Is the remuneration of the CEO and other members of the management team in line with the industry peers? Which KPIs dictate the remuneration?

In 2020, the HR Committee has evaluated the CEO's remuneration and benchmarked it in order to ensure a competitive and fair total remuneration opportunity compared to the relevant peers and markets. To encourage share ownership in Sanoma, shareholding guidelines for the CEO have been in place to further support and align shareholder and top executive interests. In 2021, key KPIs linked to the CEO's short-term remuneration were Operational EBIT excl. PPA, Adjusted Free Cash Flow and Employee engagement survey and in the long-term remuneration Adjusted Free Cash Flow and Operational EPS. In 2021, 20% of the top management's short-term remuneration will be linked to sustainability-related KPIs. Half of this related to the employee engagement and the other half to certain data and privacy KPIs. More information is available in the Remuneration Report 2020 and Remuneration Policy that are available at [Sanoma.com](https://www.sanoma.com).

Relative split of men/women in Sanoma:

Board of directors:
20 % women and 80 % men

Management (managers with subordinates):
45% women and 55 % men

All employees:
55 % women and 45 % men

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Is the Head of Sustainability a member of the management team? If not, who does that person report to?

Head of Sustainability reports to the CFO & COO. At Group level, the President and CEO is responsible for overseeing sustainability, supported by the Executive Management Team (EMT), including the CFO & COO. The EMT is responsible for outlining the company's strategic approach to sustainability, managing sustainability development and monitoring how sustainability is reflected in the business units. Together with the business units, the EMT develops the annual strategic guidelines and targets for the Sanoma Sustainability Strategy as well as approves major sustainability projects. The EMT proposes the annual strategic guidelines to the Board for approval and updates the Audit Committee on the Group's sustainability performance and development at least twice a year.

Please state whether Sanoma has the following policies or agreements in place:

- Union agreement: Yes, 59 % of total employees were covered by collective bargaining agreements
- Code of Conduct: Yes
- Diversity policy: Yes
- Anti-corruption policy: Yes