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AGM 2021

Continuing transformation and solid results during an exceptional year 2020

Susan Duinhoven, President & CEO

2020: Strong operational EBIT margin in an exceptional year

Net sales	Operational EBIT excl. PPA	Operational EBIT margin excl. PPA	Free cash flow	Net debt / Adj. EBITDA
1,062m€ (2019: 913)	157m€ (2019: 138)	14.7% (2019: 15.1%)	95m€ (2019: 131)	2.6 (2019: 2.7)

- Net sales grew by 49% in Learning as a result of the Iddink acquisition (5% comparable growth), while declining in Media Finland due to the corona pandemic
- Operational EBIT excl. PPA improved driven by Learning, while earnings of Media Finland were stable
- Free cash flow decreased mainly due to the divestment of Media Netherlands in April
- Leverage increased at the end of Q4 due to acquisition of Santillana Spain



Sanoma's Executive Management Team



Susan Duinhoven
President and CEO
Sanoma Corporation



Markus Holm
CFO & COO
Sanoma Corporation



Pia Kalsta
CEO
Media Finland



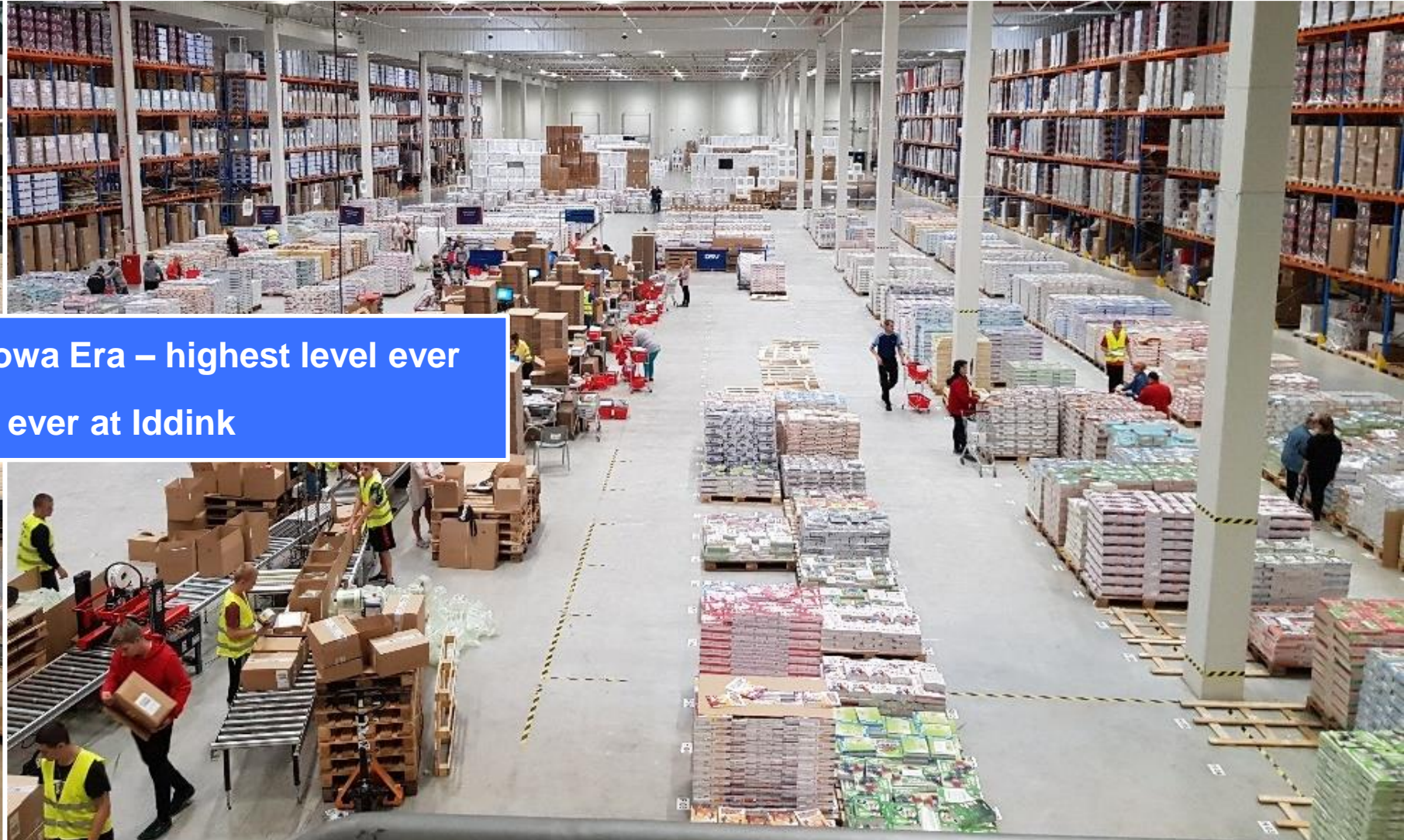
Rob Kolkman
CEO
Learning

Managing during the pandemic

- Our first priority is to keep our people and our partners safe
- Clear majority of office work, incl. editorial teams, done remotely, printing and warehousing operations running safely on-site
- Continuous support for employees & management
 - Regular pulse surveys to understand the needs of our employees
 - Pro-active and regular updates from the management
 - Regular check-ins from management, keeping contact
 - Tips on ergonomics at home
 - Stimulating use of Break Pro – platform with exercises (well-being)
 - Virtual Project Management training for 150 employees
 - Virtual Leadership training – How to lead in change for 100 managers
 - IT skills: accelerated online training for Office 365 tools
- Preparing for post-pandemic by planning a ‘Better Normal’ aiming to combine office and remote working optimally



Even under extraordinary circumstances, Iddink and Nowa Era provided learning materials to students on time



- Over 1 million shipments at Nowa Era – highest level ever
- Highest customer satisfaction ever at Iddink



We accelerated our transformation during 2020

≈ 800m€ invested

More than 400m€ new, highly profitable net sales acquired

**Four acquisitions
in K12 learning
services in 2019**

Iddink | Itslearning |
Clickedu | Essener

**Regional news
media business
in Finland**

**Santillana Spain,
leading provider of
K12 learning content
in Spain; closed on
31 December**

**Two focused,
leading
businesses
with solid
profitability and
cash flows**

ACQUISITIONS

DIVESTMENTS

**Media
Netherlands**

**Online classifieds
business Oikotie**

**300-400m€
headroom for
M&A**

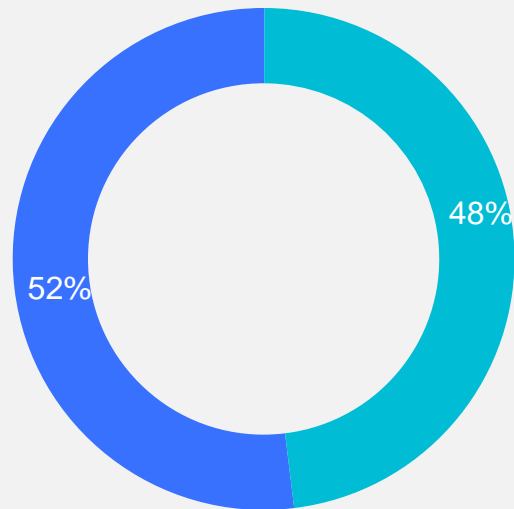
≈ 700m€ divestment proceeds received

≈ 400m€ net sales divested

Learning is now contributing close to 70% of Group earnings

We have a balanced net sales profile with...

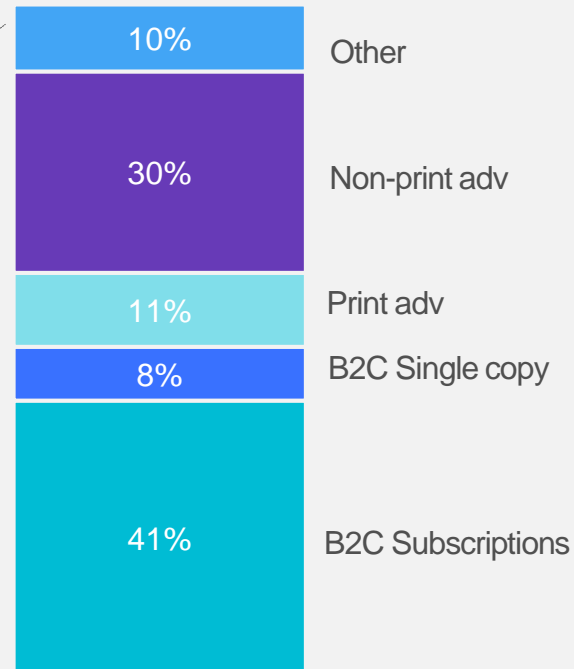
Net sales by SBU



Learning Media Finland

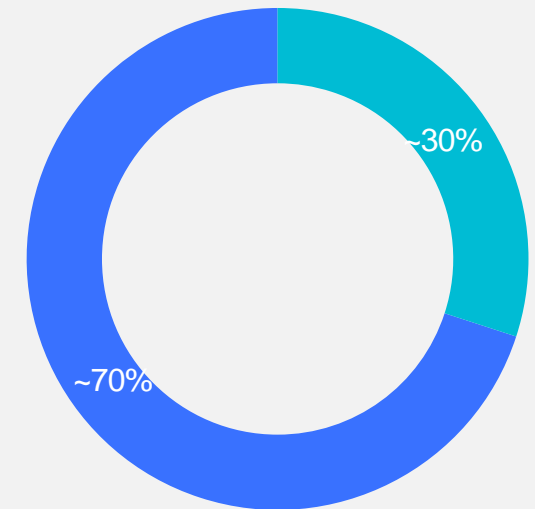
...B2C more than half of our media sales

Net sales by category, %



Learning close to 70% of earnings

Operational EBIT excl. PPA by SBU

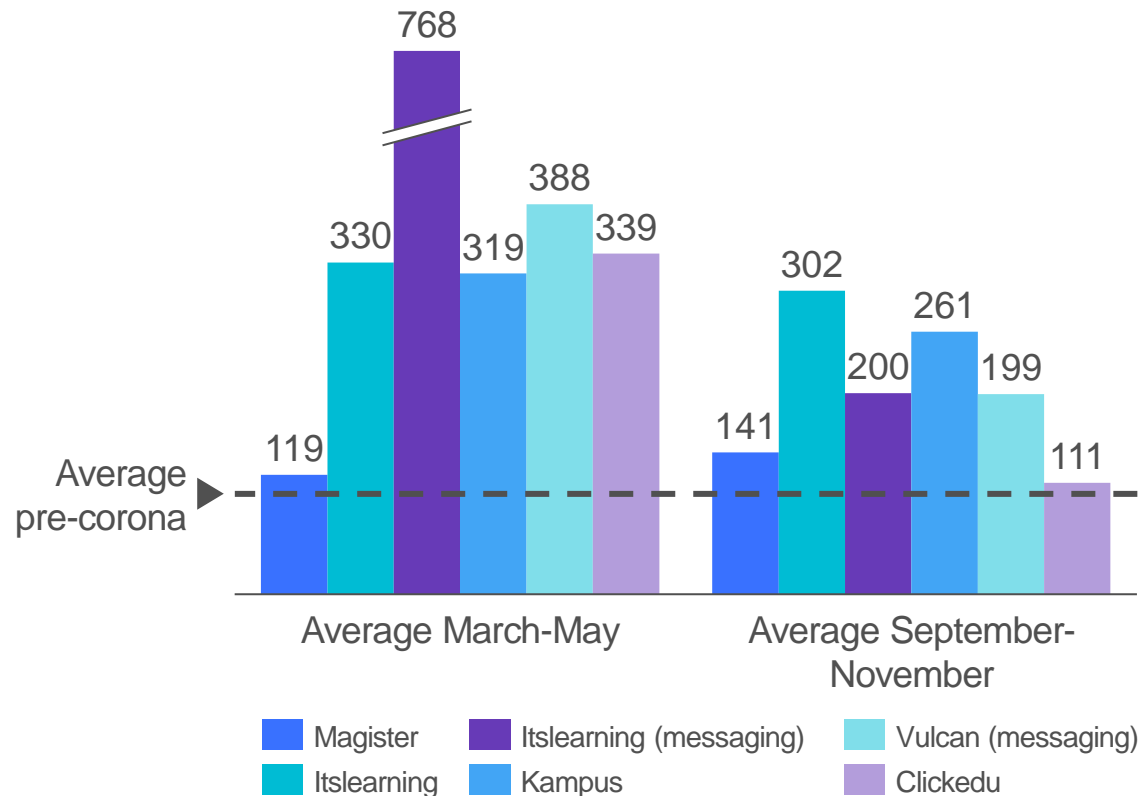


Learning Media Finland

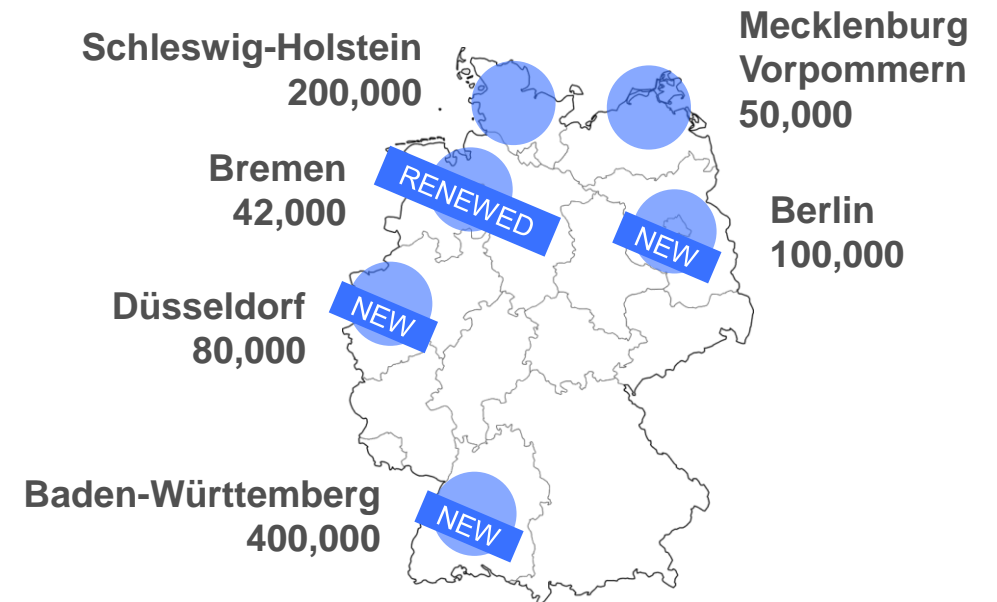
Pro forma incl. Santillana Spain as presented in Sanoma's stock exchange release on 8 March 2021

Platform businesses acquired in 2019 were essential in facilitating remote learning during the pandemic

During lockdown periods, the usage of our digital platforms skyrocketed



itslearning became a go-to trustworthy solution for distance learning in Germany

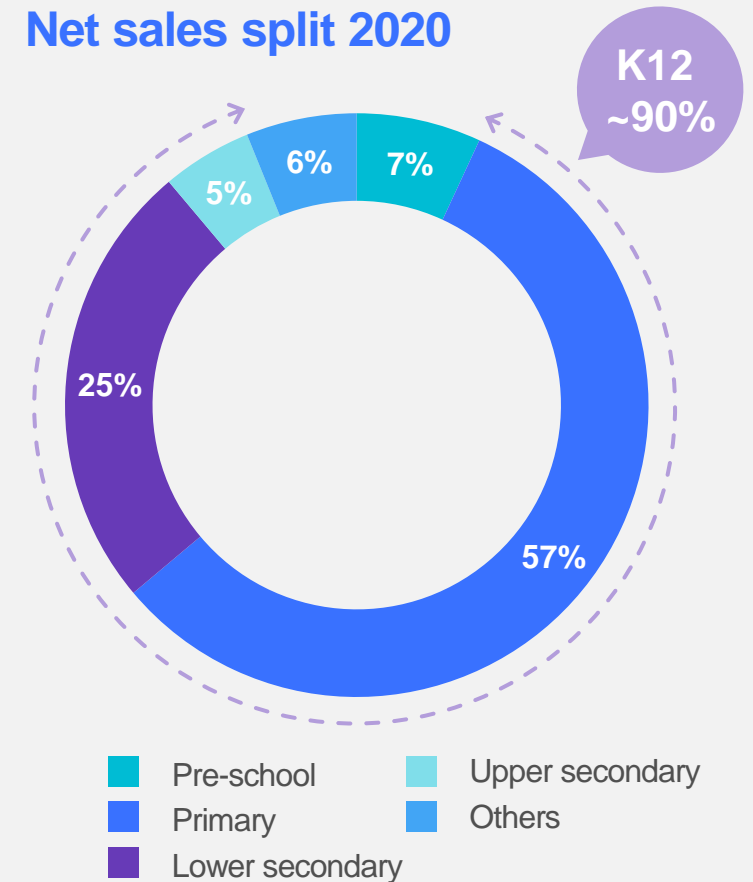


“ I am delighted. This was a quick and painless process for both our city and the schools. [...] It shows that we can turn this challenging situation into a positive story.
 – Thomas Geisel – Lord Mayor of Düsseldorf

Early closing and successful start of integration of Santillana Spain

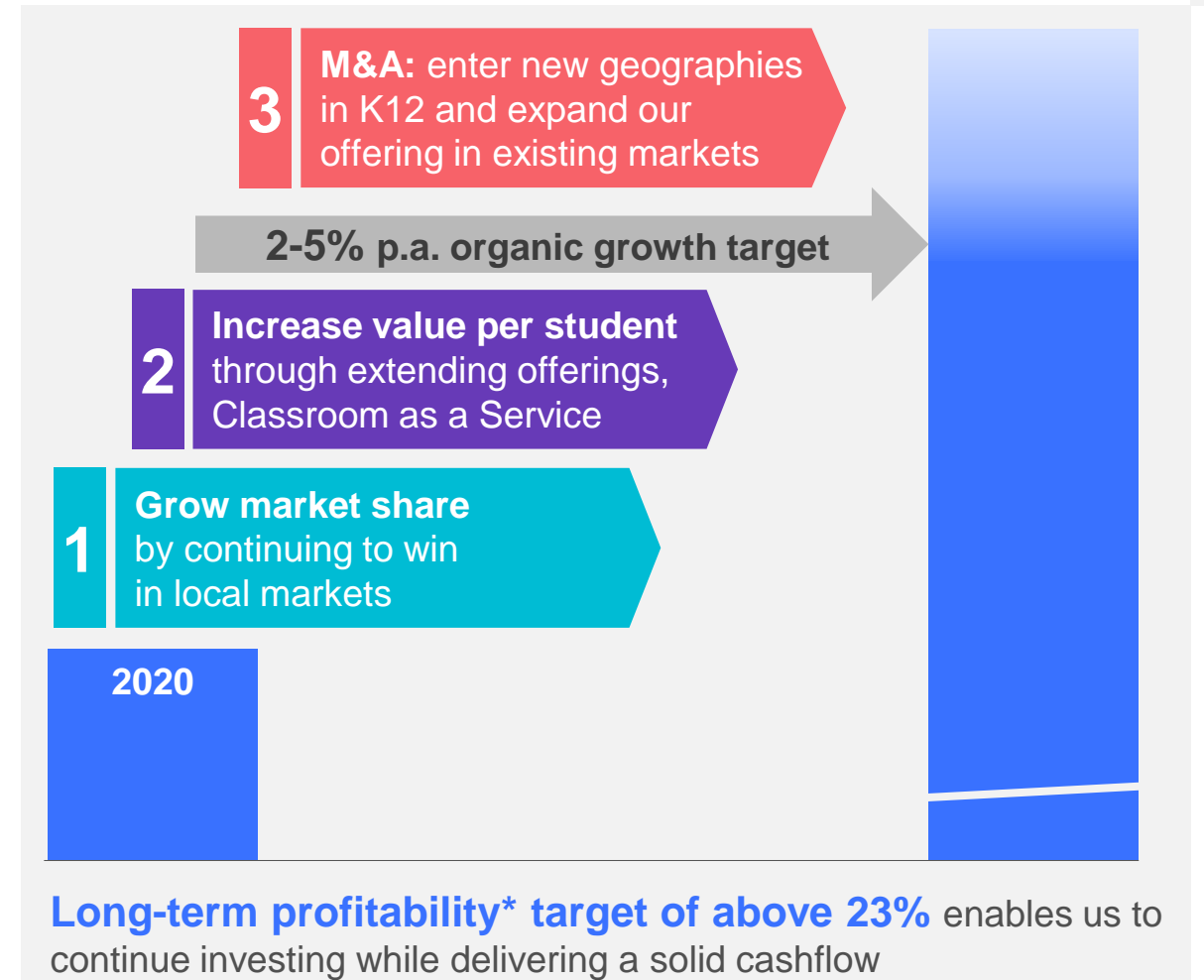
- Acquisition of Santillana Spain, the leading provider of learning materials, primarily textbooks, for primary and secondary education in Spain, was closed on 31 December 2020
- Net sales of 106m€ and standalone operational EBIT 29m€ (margin 27%) in 2020
 - Digitalisation in learning is starting – 3% of Santillana’s net sales were digital in 2020
- In 2020-2021, a typical cyclical decline in market demand for K-12 learning materials is expected ahead of the introduction of the new curriculum
 - Expected to result in lower net sales and earnings compared to 2019
 - New curriculum is expected to accelerate the demand in 2022-2023
- Strong seasonality in Santillana business: small and loss-making Q1 and Q4, vast majority of the business focused in Q3
- Strict lockdown measures and school closures in Spain due to the coronavirus pandemic had some impact on learning material demand in Q4
 - In case school closures are prolonged, it may also have an adverse impact on the business in 2021

Net sales split 2020



Growth in Learning through market share gains, subscription model and M&A

- 1. Grow market share** by continuing to win in local markets particularly in connection to curriculum renewals
- 2. Increase value per student by moving to subscription model**, which has benefits to all
 - For students: more up-to-date materials, books can be retained, notes in books improves learning impact
 - For schools: stable and predictable cost of learning materials
 - For distributors: lower cost due to absence of return flows
 - For publishers: reduced second-hand market, more efficient content creation and more stable sales and cash flows
- 3. Enter new geographies in K12 and expand our offering in existing markets through acquisitions**
 - M&A headroom of 300-400m€



* Operational EBIT excluding PPA

In 2020, we continued to implement our digital transformation strategy in Media Finland

Strong digital growth

- ➔ Helsingin Sanomat **70% out of over 400k** subscriptions include a payable digital element (+8% YoY)
- ➔ Ruutu+ SVOD subscriptions over **300K** (+16% YoY)
- ➔ Ilta-Sanomat average weekly visits over **43M** (+17% YoY)

Focus on core business

- Combined News & Features organisation settled in and showing strategic benefits of close cooperation across the brands
- Integration of the acquired regional news media business
- Online classifieds business Oikotie divested to Schibsted

We raised long-term targets for Learning's profitability and Group's leverage in December 2020

GROUP

31 Dec 2020

Net debt / adj. EBITDA	below 3.0	2.6
Equity ratio	35-45%	37.4%
Dividend	Increasing dividend 40-60% of free cash flow	73%

LEARNING

FY 2020

Comparable net sales development Operational EBIT margin excl. PPA	2-5% above 23%	5% 19.2%
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MEDIA FINLAND

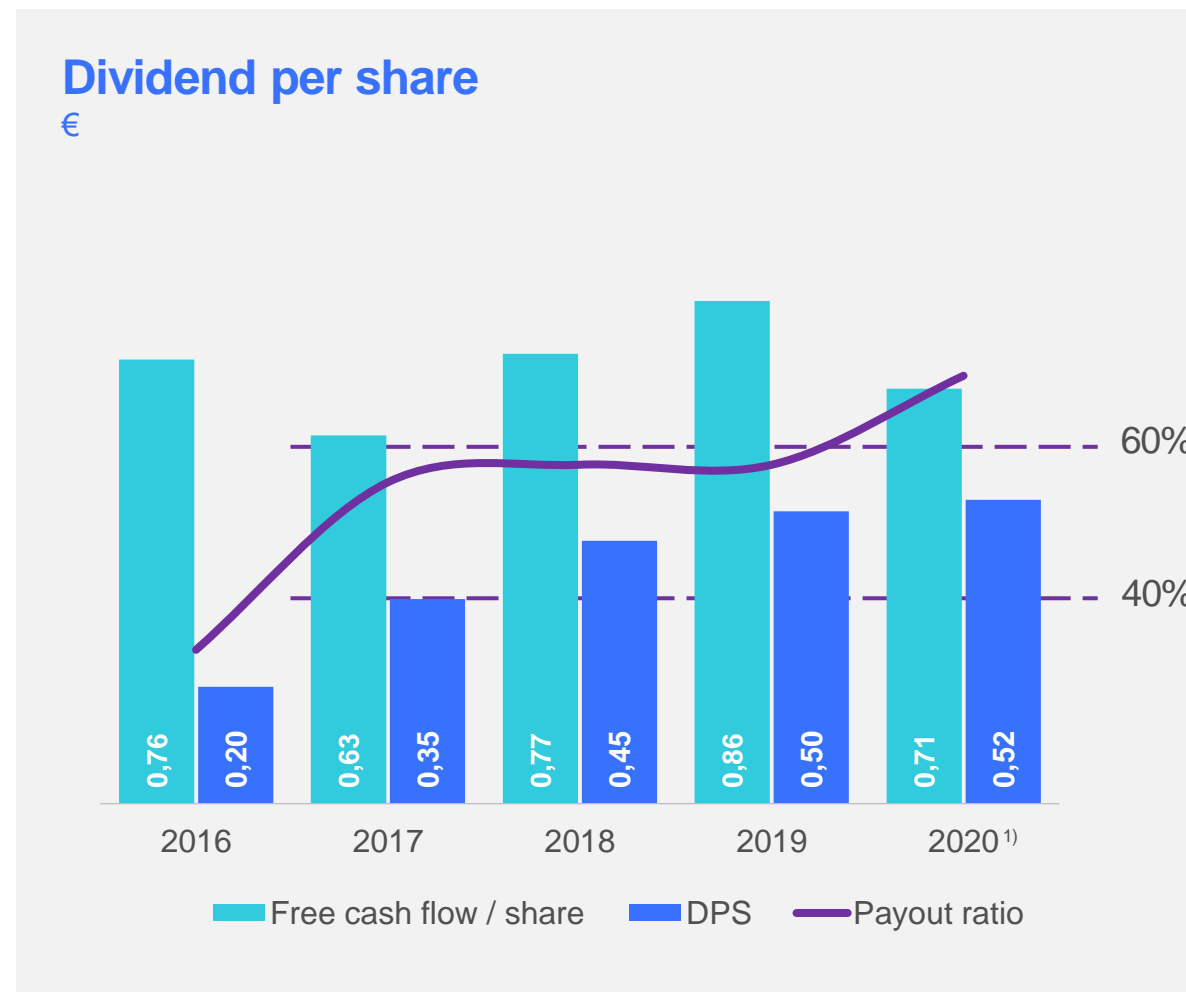
Comparable net sales development Operational EBIT margin excl. PPA	+/-2% 12-14%	-10% 11.8%
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The Board proposes a dividend of 0.52€

- The Board proposes a dividend of 0.52€ (2019: 0.50) per share to be paid for 2020
 - Representing a total of approx. 85m€
- To be paid in two parts
 - 0.26€ on 22 April (record date 15 April)
 - 0.26€ in November (record date tbc in October)

Dividend policy:

Sanoma aims to pay an increasing dividend, equal to 40–60% of annual free cash flow



¹⁾ Board's proposal. FCF excl. free cash flow of the divested Media Netherlands, -22m€



Outlook for 2021

- In 2021, Sanoma expects that the Group's reported net sales will be 1.2–1.3bn€ (2020: 1.1 bn€)
- The Group's operational EBIT margin excl. PPA is expected to be 14–16% (2020: 14.7%)
- The mid-points of the outlook ranges are based on the assumption that
 - The advertising market will be relatively stable compared to the previous year
 - There are no major restrictions related to the events business in Finland
 - The learning business will not be significantly impacted by prolonged school closures in its main operating countries.

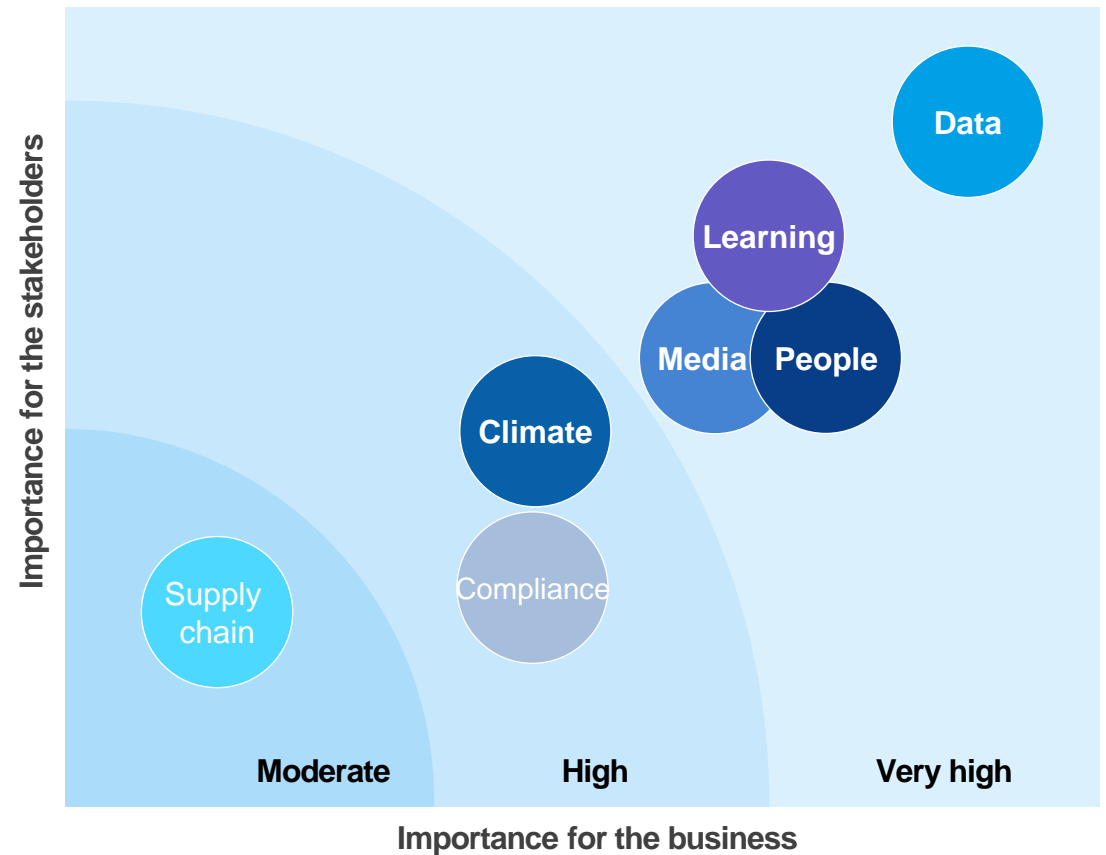


Two focused and leading businesses poised for further growth

- 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
- Sanoma is a sustainable investment with learning and media having a positive impact on society

Extensive stakeholder engagement clarified and prioritised Sanoma's sustainability focus areas

- To crystallise the strategic targets for sustainability, we arranged an open online dialogue to collect stakeholders' views of Sanoma's future sustainability focus areas in autumn 2020
- 1,500 customers, suppliers, investors, NGO's and employees around Europe participated in the survey
- The dialogue gave insights and identified topics that provided the framework for our future work
- The results of the engagement are summarised in the materiality matrix



CREATING POSITIVE IMPACT – EVERY DAY

Updated Sustainability Strategy focuses on six themes



Inclusive learning

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

Sustainable media

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

Trustworthy data

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

Valued people

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

Vital environment

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

17 PARTNERSHIPS FOR THE GOALS



Responsible business practices

Responsible and ethical business practices and supply chain integrity are fundamental for us.

17 PARTNERSHIPS FOR THE GOALS



We have set targets to sustainability

Inclusive learning

1. We co-create high-quality and motivating learning materials with teachers fitting the local curriculum
2. We develop inclusive learning solutions that support diversity and differentiation
3. We promote equal access to education

Sustainable media

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 enable companies to thrive through marketing in our curated media
4. We empower shared experiences with entertainment and support the local audio-visual community

Trustworthy data

1. Data supports quality learning and helps sustain independent media
2. Our Privacy programme safeguards data while enabling its transparent and compliant use
3. We use Artificial Intelligence responsible and transparently

Valued people

1. We create an equal and inclusive workplace together
2. Our people create our knowledge capital and together we promote wellbeing, training and safety
3. We are a great workplace and support an inspiring and sustainable company culture

Vital environment

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 our fact-based climate and environmental awareness

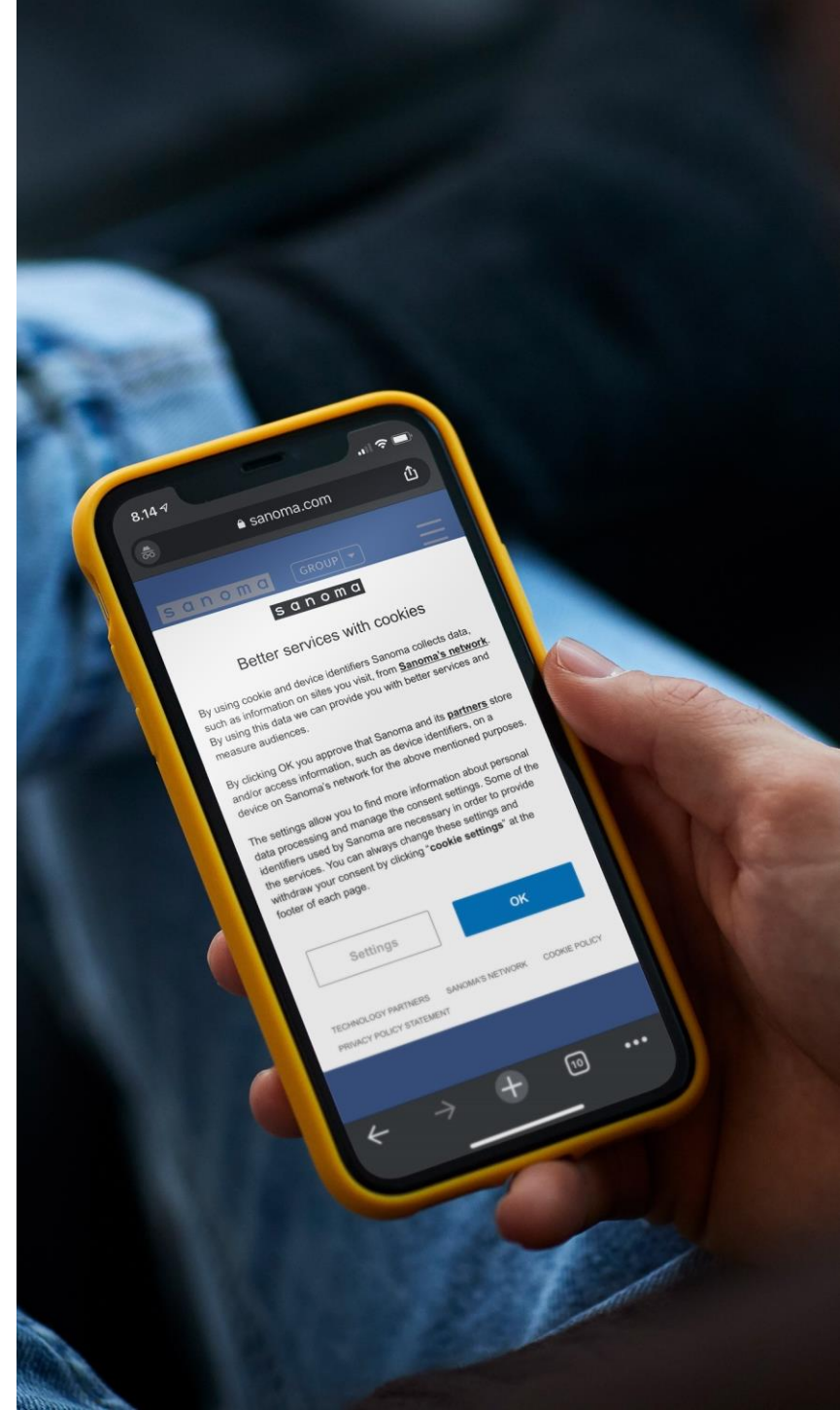
TRUSTWORTHY DATA

Responsible use of data is high on Sanoma's sustainability agenda

- Data is key in the development of excellent products
 - In our digital learning platforms to optimise teaching, personalise learning and support better learning outcomes
 - To create fact-based journalism and provide relevant content and marketing for our media customers
- Our Group-wide Privacy Programme ensures that we continuously develop responsible use of personal data focusing on fair practices defined in our Data Protection and Privacy Policy

Examples of 2020 actions:

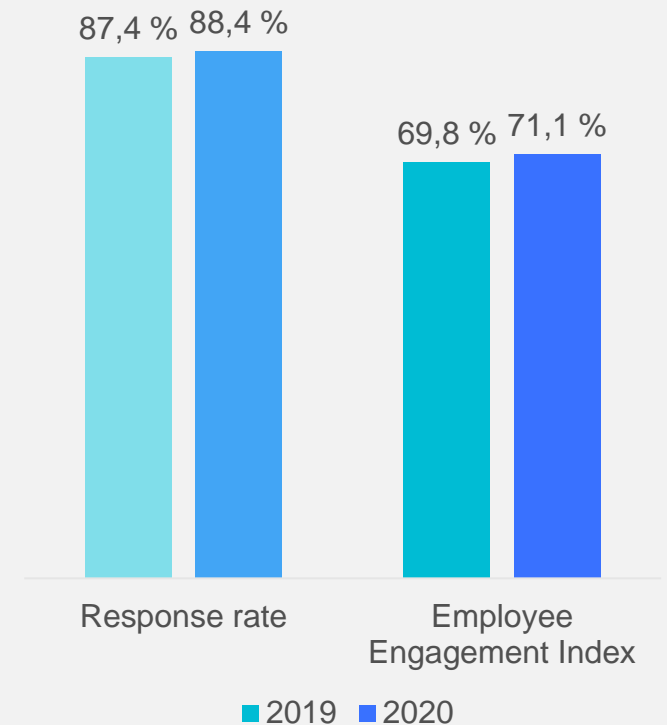
- Privacy incorporated into product development through 'Privacy by Design' process and supported by **34** named 'Privacy Champions'
- High employee privacy awareness: **95%** of employees have completed the e-learning for privacy and security
- During 2020, Sanoma had zero major and 196 minor data breaches



Improved employee engagement even during the pandemic

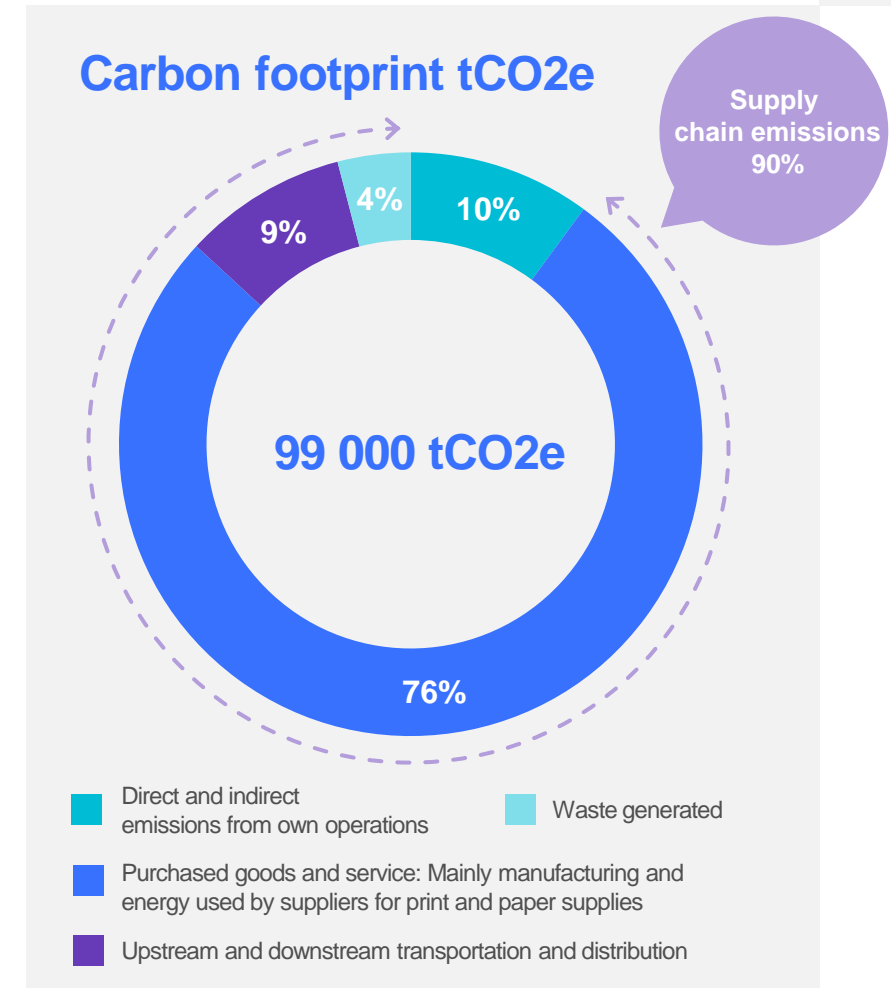
- Motivated and valued employees are the key factor to our success
- Our focus is in developing good work-life balance, offering equal opportunities and striving for diverse and inclusive workplace
- Close to 5,000 people work for Sanoma
 - Number increased in 2020 due to acquisitions of Santillana Spain (586) and the regional news media business (365) and declined by 98 due to divestment of Oikotie
- Average employee turnover was 10.6% and almost 40% of employees have worked in the company for more than 10 years
- Despite the corona impact and continuous remote work, we see a positive trend in our annual Employee Engagement Survey
- Highlights and development areas include e.g.
 - + Employees enjoy their work and are proud of it
 - + They are committed to the company and have confidence in its future
 - + The coronavirus pandemic is managed very well
 - Heavy workload causes challenges for work-life balance

Employee engagement on a good level



Net-zero emissions by 2030

- Although we operate in a low-carbon industry, minimising our environmental impact and raising fact-based climate awareness is important to us
- We aim to reach zero emissions throughout the value chain by 2030
- 90% of our greenhouse gas emissions result from the supply chain, mainly from transportation and distribution of products, as well as the energy used for manufacturing of paper and print supplies
 - Reaching our target requires strong cooperation and good partner selection
 - Figures according to our updated third party assured emission inventory based on GHG protocol
- Emissions from our own operations result from energy and materials used in printing and office facilities
 - We continue investing in energy and material efficiency and use of renewable energy in our operations across Europe



Sustainability governance at Sanoma

- Board of Directors approves strategic sustainability guidelines and monitors the Group's sustainability development and performance
- Audit Committee supports the Board e.g. by regular monitoring the progress and sustainability related risks
- The President and CEO, supported by the Executive Management Team (EMT), is responsible for overseeing sustainability in the daily business
- Together with the Strategic Business Units, our Sustainability Team prepares sustainability development measures and actions, coordinates sustainability progress and makes proposals to the EMT
- In 2021, sustainability targets will make up 20% of Sanoma's annual short-term management incentives on target level

Sustainability governance model



CREATING POSITIVE IMPACT – EVERY DAY

Sanoma Sustainability Strategy covers nine UN SDGs



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17 PARTNERSHIPS FOR THE GOALS



Responsible business practices

Responsible and ethical business practices and supply chain integrity are fundamental for us.

17 PARTNERSHIPS FOR THE GOALS





Two focused and leading businesses poised for further growth

- 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
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- We pay a solid dividend
- Sanoma is a sustainable investment with learning and media having a positive impact on society

Thank you!

A group of five children and one adult woman are gathered around a wooden table in a classroom. They are all smiling and looking at a tablet computer held by a young boy in the center. The woman is standing behind them, and another woman is leaning in from the left. The children are wearing colorful clothing. The background shows a green chalkboard and some papers on the wall.

Appendix

Sanoma in 2020

 NET SALES
1,062m€

 NON-PRINT SALES
56%

 OPERATIONAL EBIT MARGIN
14.7%

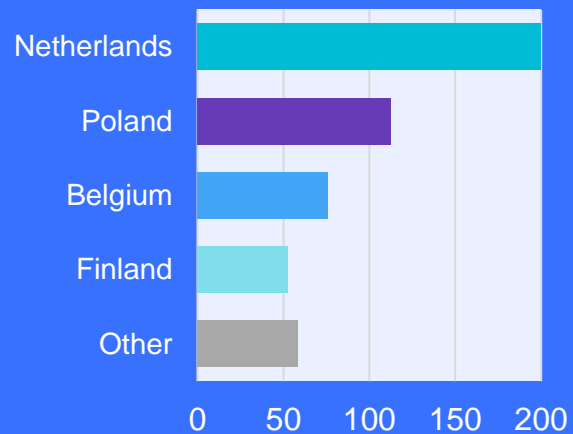
Learning

Net sales **500m€**

Non-print **64%**

Margin **19.2%**

NET SALES



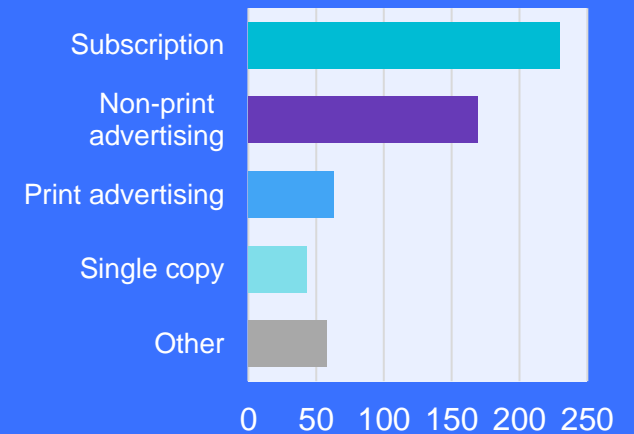
Media Finland

Net sales **563m€**

Non-print **48%**

Margin **11.8%**

NET SALES



Group key figures FY 2020

m€	2020	2019
Net sales	1,061.7	912.6
Operational EBIT excl. PPA	156.5	137.6
margin	14.7%	15.1%
EBIT	270.1	104.5
Result for the period	237.8	64.8
Free cash flow	94.8	131.3
Equity ratio	37.4%	30.5%
Net debt	660.7	794.7
Net debt / Adj. EBITDA	2.6	2.7
Operational EPS, €	0.58	0.50
EPS, €	1.46	0.39

	2020	2019
Average number of employees (FTE)	4,255	3,551
Number of employees at the end of the period (FTE)	4,806	3,937

All income statement related figures cover Continuing operations only. Balance sheet and cash flow figures cover also Discontinued operations.

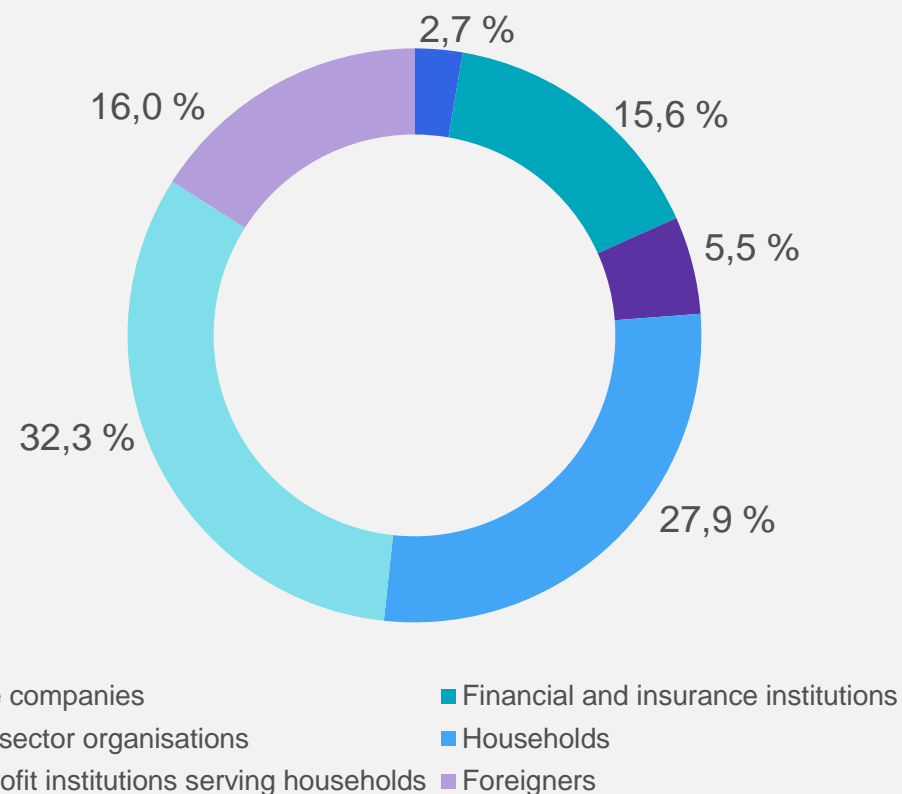
Largest shareholders

28 February 2021

Largest shareholders

	Number of shares	
1. Jane and Aatos Erkko Foundation	39,820,286	24.4%
2. Antti Herlin Holding Manutas Oy: 12.03% personal: 0.02%	19,716,800	12.1%
3. Robin Langenskiöld	12,273,371	7.5%
4. Rafaela Seppälä	10,273,370	6.3%
5. Helsingin Sanomat Foundation	4,701,570	2.9%
6. Ilmarinen Mutual Pension Insurance Company	4,400,000	2.7%
7. Alex Noyer	1,903,965	1.2%
8. Lorna Aubouin	1,852,470	1.1%
9. The State Pension Fund	1,760,000	1.1%
10. Foundation for Actors' Old-Age Home	1,700,000	1.0%
10 largest shareholders total	98,401,832	60.3%
Foreign holding *	26,210,676	16.0%
Other shareholders	38,953,155	23.9%
Total number of shares	163,565,663	100.0%
Total number of shareholders	22,894	

Holding by sector



CREATING POSITIVE IMPACT – EVERY DAY

Sanoma Sustainability Strategy



Inclusive learning

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

Sustainable media

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

Trustworthy data

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

Valued people

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Vital environment

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

17 PARTNERSHIPS FOR THE GOALS

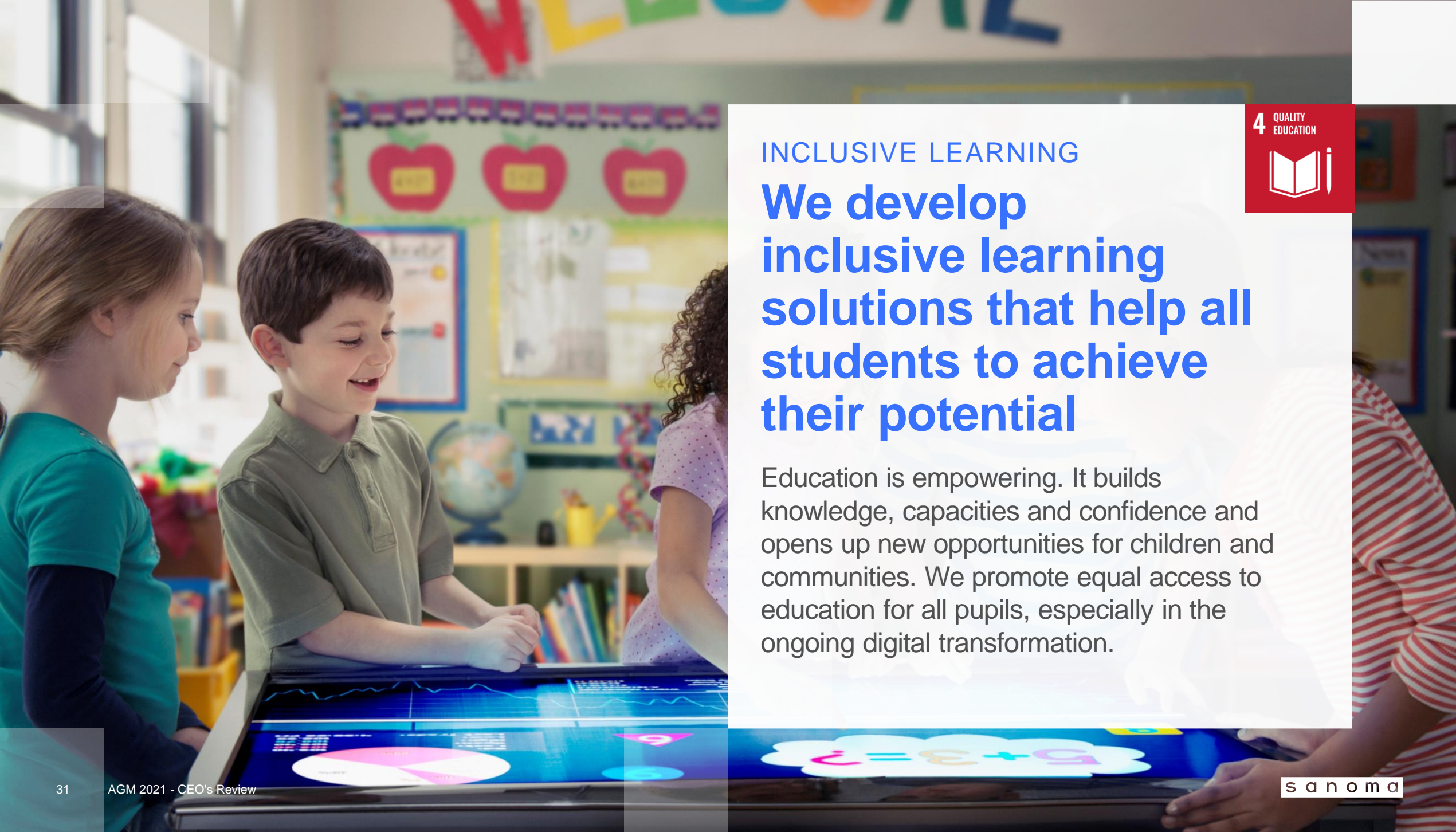


Responsible business practices

Responsible and ethical business practices and supply chain integrity are fundamental for us.

17 PARTNERSHIPS FOR THE GOALS





INCLUSIVE LEARNING

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

Education is empowering. It builds knowledge, capacities and confidence and opens up new opportunities for children and communities. We promote equal access to education for all pupils, especially in the ongoing digital transformation.

INCLUSIVE LEARNING

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

Our sustainability targets

- 1 We co-create high-quality and motivating learning materials with teachers fitting the local curriculum
- 2 We develop inclusive learning solutions that support diversity and differentiation
- 3 We promote equal access to education

Key performance indicators

- 92% of teachers say our materials help students in reaching curriculum objectives
- 83% of teachers feel our learning materials support them in engaging and motivating students
- 87% of teachers say that we support them in teaching and managing their classes efficiently according to our annual Learning Impact Survey

SUSTAINABLE MEDIA

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

Independent media is essential in an open and democratic society. Freedom of expression should never be taken for granted. By delivering information, inspiration, entertainment and experiences, we increase awareness on different viewpoints, developments and lifestyles.



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

Our sustainability targets

- 1 We promote open democracy and freedom of speech through our independent media
- 2 We increase awareness, empathy, 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

Key performance indicators

- Responsible journalism practices as defined in the Guidelines for Journalists by The Council of Mass Media
- Protecting vulnerable audiences as defined by guidance of the National Audiovisual Institute
- Responsible marketing practices as defined by the Advertising and Marketing Communications Code by the International Chamber of Commerce



TRUSTWORTHY DATA

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

Our priority is to respect the privacy of our customers and users when using their data. Data empowers teachers to optimise teaching and students to receive personalised learning. With the data entrusted to us, we develop high-quality and personalized media. We use Artificial Intelligence (AI) responsibly and transparently.

TRUSTWORTHY DATA

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

Our sustainability targets

- 1 Data supports quality learning and helps sustain independent media
- 2 Our Privacy programme safeguards data while enabling its transparent and compliant use
- 3 We use Artificial Intelligence responsibly and transparently

Key performance indicators

- In our privacy work we focus on fair and transparent practices defined in Sanoma's Data Protection and Privacy Policy
- Privacy incorporated into product and business development through a 'Privacy-by-Design' process supported by 34 nominated 'Privacy Champions'
- High employee privacy awareness: 95 % of employees have completed the e-learning for privacy and security
- During 2020, Sanoma had zero major and 196 minor data breaches. Minor breaches occurred mainly in the media business B2C sales domain, and typically affected a single customer's data

VALUED PEOPLE

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

Great results call for people working towards shared goals in a secure and positive environment. Motivated people are the key factor of success in our business. We focus on a good work-life balance, equal opportunities and development paths to reach the full potential.

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES



VALUED PEOPLE

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

Our sustainability targets

- 1 We create an equal and inclusive workplace together
Our people create our
- 2 knowledge capital and together we promote wellbeing, training and safety
- 3 We are a great workplace and support an inspiring and sustainable company culture

Key performance indicators

- Employee Engagement Survey results on a good level (71.1% engaged)
- Diversity
 - Board: 20% women – 80% men
 - EMT: 50% women – 50% men
 - Management with subordinates: 55% women – 45% men
 - All employees: 55% women – 45% men
- Employee turnover rate: 10.6%
- Over 40% of employees have worked for Sanoma more than 10 years





VITAL ENVIRONMENT

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

Reducing the climate impact is one of the most critical challenges facing all industries and societies. Although we operate in a low-carbon industry, minimising our negative environmental impact and raising fact-based climate awareness are important to us.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



We act to protect the climate and build awareness of sustainability issues

Our sustainability targets

- 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 our fact-based climate and environmental awareness

Key performance indicators

- Updated emissions inventory including supply chain (Scope 3)
- Roadmap to zero emissions by 2030 throughout the value chain
- During 2020, our emissions and energy consumption in the properties controlled by us increased due to the Alma acquisition while energy and emission intensity remained steady
- Amount paper originating from certified wood fiber was 85% with a target of 100%
- All key suppliers were screened using environmental criteria



RESPONSIBLE BUSINESS PRACTICES

We are committed to responsible business practices

Rigorous ethical standards, supply chain integrity and partnerships are fundamental for us. Sustainability is an integral part of our values, operating principles and strategy. We promote the UN Sustainable Development Goals and commit to the Ten Principles of the UN Global Compact on human rights, labour, environment and anti-corruption.

8 DECENT WORK AND ECONOMIC GROWTH



17 PARTNERSHIPS FOR THE GOALS



We are committed to sustainable business practices

Our sustainability targets

- 1 We maintain rigorous ethical standards and responsible business practices
- 2 Our good financial performance and position support sustainable development
- 3 We constantly develop responsibility in our supply chain

Key performance indicators

- Compliance employee awareness: 95% completion rate in Code of Conduct e-learning
94% completion rate in anti-bribery & corruption e-learning
- Misconduct cases 2020: No cases of discrimination
 - In total 16 potential non-compliance cases reported to the Compliance and Ethics working Group and further to the Audit Committee
- Supplier engagement: 100% of new Sanoma suppliers signed our Supplier Code of Conduct in 2020

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Please contact our Investor Relations:

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