

SECOND PARTY OPINION (SPO)

Sustainability Quality of the Issuer and Social Bond Framework

Sanoma Corporation

10 May 2024

VERIFICATION PARAMETERS

Type(s) of instruments contemplated

- Social bonds

Relevant standards

- Social Bond Principles (SBP), as administered by the International Capital Market Association (ICMA) (as of June 2023 with June 2023 Appendix 1)

Scope of verification

- Sanoma Corporation's Social Bond Framework (as of May 8, 2024)
- Sanoma Corporation's Eligibility Criteria (as of May 8, 2024)

Lifecycle

- Pre-issuance verification

Validity

- Valid as long as the cited Framework remains unchanged

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SCOPE OF WORK

Sanoma Corporation (“the Issuer”, “the Company”, or “Sanoma”) commissioned ISS-Corporate to assist with its social bonds by assessing three core elements to determine the sustainability quality of the instruments:

1. Sanoma’s Social Bond Framework (as of May 10, 2024), benchmarked against ICMA’s SBP.
2. The Eligibility Criteria – whether the project categories contribute positively to the United Nations Sustainable Development Goals (U.N. SDGs) and how they perform against proprietary issuance-specific key performance indicators (KPIs) (See Annex 1).
3. Consistency of social bonds with Sanoma’s Sustainability Strategy, drawing on the key sustainability objectives and priorities defined by the Issuer.

SANOMA OVERVIEW

Sanoma Corporation engages in the provision of learning solutions and consumer media. It operates through the Learning and Media Finland segments. The Learning segment provides multi-channel learning solutions for students and teachers in primary, secondary and vocational education. The Media Finland segment includes information, experiences, inspiration and entertainment through multiple platforms such as newspapers, television, radio, magazines, online and mobile channels. The company was founded in 1889 and is headquartered in Helsinki.


ESG risks associated with the Media Industry

Sanoma is classified in the media industry, as per ISS ESG's sector classification. Key sustainability issues faced by companies¹ in this industry are staff diversity, safety, and employment security, editorial responsibility, responsibility for recipients and access to media, resource-efficient processes, and paper sourcing.

This report focuses on the sustainability credentials of the issuance. Part III of this report assesses the consistency between the issuance and the Issuer's overall sustainability strategy.

¹ Please note that this is not a company-specific assessment but rather areas that are of particular relevance to companies in that industry.

ASSESSMENT SUMMARY

SPO SECTION	SUMMARY	EVALUATION ²
<p>Part I:</p> <p>Alignment with SBP</p>	<p>The Issuer has defined a formal concept for its social bonds regarding the use of proceeds, processes for project evaluation and selection, management of proceeds and reporting. This concept is in line with the SBP.</p>	<p>Aligned</p>
<p>Part II:</p> <p>Sustainability Quality of the Eligibility Criteria</p>	<p>The social bonds will (re)finance the eligible asset category of Access to Essential Services – Education.</p> <p>Product and/or service-related use of proceeds category contributes to the following SDG:</p> <div data-bbox="746 891 865 1003" style="text-align: center;">  </div> <p>The environmental and social risks associated with the use of proceeds category are managed.</p>	<p>Positive</p>
<p>Part III:</p> <p>Consistency of Social Bonds with Sanoma’s Sustainability Strategy</p>	<p>The key sustainability objectives and the rationale for issuing social bonds are clearly described by the Issuer. The project category considered is in line with the sustainability objectives of the Issuer.</p> <p>At the date of publication of the report and leveraging ISS ESG Research, the Issuer is exposed to no severe controversies that have been identified.</p>	<p>Consistent with the Issuer’s Sustainability Strategy</p>

² The evaluation is based on Sanoma’s Social Bond Framework (May 8, 2024, version) on the analyzed Eligibility Criteria received on May 8, 2024.

SPO ASSESSMENT

PART I: ALIGNMENT WITH THE SOCIAL BOND PRINCIPLES

This section evaluates the alignment of Sanoma’s Social Bond Framework (as of May 8, 2024), with the SBP.

ICMA SBP	ALIGNMENT	OPINION
1. Use of Proceeds	✓	<p>The Use of Proceeds description provided by Sanoma’s Social Bond Framework is aligned with the SBP.</p> <p>The Issuer’s social category aligns with the project categories as proposed by the SBP, and criteria are defined clearly and transparently. Disclosure of an allocation period and commitment to report on the project category has been provided, and social benefits are described.</p> <p>The Issuer defines an expected look-back period of 12 months for the operating expenses and excludes harmful projects categories, in line with best market practices.</p>
2. Process for Project Evaluation and Selection	✓	<p>The Process for Project Evaluation and Selection description provided by Sanoma’s Social Bond Framework is aligned with the SBP.</p> <p>The project selection process is defined and structured in a congruous manner. ESG risks associated with the project category are identified and managed through an appropriate process. Moreover, the projects selected are aligned with Sanoma's sustainability strategy and clearly show the intended benefit to the relevant population.</p> <p>The Issuer involves various stakeholders in this process, in line with best market practices.</p>
3. Management of Proceeds	✓	<p>The Management of Proceeds provided by Sanoma’s Social Bond Framework is aligned with the SBP.</p>

		<p>The net proceeds collected will equal the amount allocated to eligible projects, with no exceptions. The net proceeds are tracked appropriately and attested in a formal internal process. The net proceeds are managed on an aggregated basis for multiple social bonds (portfolio approach). Moreover, the Issuer discloses the temporary investment instruments for unallocated proceeds.</p> <p>The Issuer defined an expected allocation period of 12 months, in line with best market practices.</p>
<p>4. Reporting</p>	<p>✓</p>	<p>The allocation and impact reporting provided by Sanoma’s Social Bond Framework is aligned with the SBP.</p> <p>The Issuer commits to disclose the allocation of proceeds transparently and to report with appropriate frequency. The reporting will be publicly available on the Issuer’s website. Sanoma has disclosed the type of information that will be reported and explains that the level of expected reporting will be at the portfolio level. Moreover, the Issuer commits to report annually and in the event of any material developments, until the proceeds have been fully allocated.</p> <p>The Issuer is transparent regarding the level of impact reporting and the information reported and further defines the duration, scope and frequency of the impact reporting, in line with best market practice.</p>

PART II: SUSTAINABILITY QUALITY OF THE ELIGIBILITY CRITERIA

A. CONTRIBUTION OF THE SOCIAL BONDS TO THE U.N. SDGs³


Companies can contribute to the achievement of the SDGs by providing specific services/products that help address global sustainability challenges, and by being responsible corporate actors, working to minimize negative externalities in their operations along the entire value chain.

The assessment of UoP categories for (re)financing products and services is based on a variety of internal and external sources, such as the ISS ESG SDG Solutions Assessment (SDGA), a proprietary methodology designed to assess the impact of an Issuer's products or services on the U.N. SDGs, as well as other ESG benchmarks (the EU Taxonomy Climate Delegated Acts, ICMA's Green and/or Social Bond Principles and other regional taxonomies, standards and sustainability criteria).

The assessment of UoP categories for (re)financing specific products and services is displayed on a three-point scale:



Each of the social bonds' Use of Proceeds categories has been assessed for its contribution to, or obstruction of, the SDGs:

USE OF PROCEEDS (PRODUCTS/SERVICES)	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<p>Access to essential services – Education⁴</p> <p><i>Development and maintenance of inclusive learning solutions:</i></p> <ul style="list-style-type: none"> ▪ <i>Printed and digital learning materials.</i> ▪ <i>Digital learning and teaching platforms.</i> <p><i>Acquisitions of learning content businesses.</i></p>	<p>Contribution</p>	

³ The impact of the UoP categories on U.N. Sustainable Development Goals is assessed with proprietary methodology and may therefore differ from the Issuer's description in the framework.

⁴ Sanoma has defined its target population as K-12 students in Sanoma operating countries. Sanoma operates in the Netherlands, Spain, Poland, Italy, Belgium, Denmark, France, Germany, Finland, Sweden, Norway and the U.K.

B. MANAGEMENT OF ENVIRONMENTAL & SOCIAL RISKS ASSOCIATED WITH THE ELIGIBILITY CRITERIA

The table below evaluates the Eligibility Criteria against issuance-specific KPIs. All assets are and will be located in the Netherlands, Spain, Poland, Italy, Belgium, Denmark, France, Germany, Finland, Sweden, Norway and the U.K.

ASSESSMENT AGAINST KPIs

Access to essential services – education

Labor, Health, and Safety



The assets are located in the Netherlands, Spain, Poland, Italy, Belgium, Denmark, France, Germany, Finland, Sweden, Norway, and the U.K., where high labor, health and safety standards are in place (i.e., the International Labor Organization’s core conventions). Furthermore, Sanoma has a Code of Conduct⁵ and Supplier Code of Conduct⁶ that require operations, suppliers, and sub-contractors to comply with the Ten Principles of the U.N. Global Compact,⁷ the U.N. Guiding Principles on Business and Human Rights,⁸ and the Universal Declaration of Human Rights,⁹ to ensure freedom of association, right to collective bargaining, right not to be subject to forced labor, child labor or discrimination in respect of employment and occupation and respect of working hours and the health and safety of its employees.¹⁰

Quality Management



Sanoma has policies and measures in place systematically ensuring that assets financed under this Framework will provide high-quality management and editorial ethics. Sanoma does not have a certified Quality Management System. However, the Issuer’s Learning Editorial Guidelines¹¹ define the principles ensuring quality in (i) creating high-quality learning materials, (ii) diverse, high-quality media content, and (iii) equal access in its learning

⁵ Sanoma Code of Conduct, 2023, available at: <https://www.sanoma.com/globalassets/wp-content/uploads/2023/09/code-of-conduct.pdf>

⁶ Sanoma Supplier Code of Conduct, 2021, available at: https://www.sanoma.com/globalassets/wp-content/uploads/2021/06/wso092_sanoma-supplier-code-of-conduct-1.3_2021_external.pdf

⁷ The Ten Principles of the U.N. Global Compact, available at: <https://unglobalcompact.org/what-is-gc/mission/principles>

⁸ The U.N. Guiding Principles on Business and Human Rights, The U.N. Office Of the High Commissioner of Human Rights (OHCHR), 2011, available at: https://www.ohchr.org/sites/default/files/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf

⁹ The Universal Declaration of Human Rights. The OHCHR, available at: <https://www.ohchr.org/en/human-rights/universal-declaration/translations/english>

¹⁰ For further information on the measures in place for high labor, health and safety aspects of Sanoma’s operations, please visit the Issuer’s 2023 Annual Report, available at: <https://www.sanoma.com/globalassets/sanoma-group/investors/reports-and-presentations/2024/sanoma-corporation-annual-report-2023.pdf>

¹¹ Sanoma Learning Editorial Guidelines, 2022, available at: https://www.sanoma.com/globalassets/sanoma-group/sustainability/inclusive-learning/sl_editorial_guidelines_external_final_jan2022.pdf

content development operations. Local editorial guidelines complement Sanoma's company guidelines and specify the local approach to meet both Sanoma's commitments and local curriculum requirements. Considering Sanoma's guidelines differ from local guidelines, the Issuer does not perform company-wide-trainings for employees on its guidelines, but ensures quality and ethics criteria are well known by the employees on the local operating company level, per local guidelines. The assets are located in the Netherlands, Spain, Poland, Italy, Belgium, Denmark, France, Germany, Finland, Sweden, Norway and the U.K., where strong education standards and supervising bodies are in place. Sanoma has a common method creation process that ensures all new or renewed learning materials follow local curriculum educational requirements. In that regard, the Issuer requires each local business unit to follow the local editorial guidance and local legal and ethical requirements. Compliance with editorial guidelines is led by content editors, and the Sanoma Learning Management Team is responsible for preparing the new curriculum and assessing the risks and sensitive editorial subject areas. The approval process for more sensitive materials is decided and monitored by the Learning Management Team.

Sanoma's Sustainability Strategy targets regarding (i) high-quality learning content and information and (ii) diverse, high-quality media content are published externally in Sanoma's Annual Report.¹² To achieve its goals and ensure high-quality management, the Issuer has a complaints and feedback mechanism with a defined procedure for handling and acting upon concerns and complaints, and to improve the use of various teaching materials in each of the asset locations. Furthermore, Sanoma annually conducts a European Teacher Survey with a focus on quality indicators of learning outcomes, efficiency and engagement, and publishes the results in the Annual Report.¹³ To ensure high quality in data compilation and protection, Sanoma has Data Privacy and Security Programs covering the data usage in digital learning materials, and further provides training on (i) data protection, sorting, and privacy to all its employees, and (ii) equal accessibility to all digital product engineering teams in the Learning. The Issuer annually performs audits following its Internal Audit Policy, Information Security Policy, Privacy and Data Protection Policy, and Ethics and Compliance Programme.¹⁴

Inclusion

¹² For more information on Sanoma's associated targets, please visit Pages 85 and 86 of Sanoma's 2023 Annual Report, available at: <https://www.sanoma.com/globalassets/sanoma-group/investors/reports-and-presentations/2024/sanoma-corporation-annual-report-2023.pdf>

¹³ For the result of the 2023 European Teachers Survey, please visit Page 18 of Sanoma's 2023 Annual Report, available at: <https://www.sanoma.com/globalassets/sanoma-group/investors/reports-and-presentations/2024/sanoma-corporation-annual-report-2023.pdf>

¹⁴ Sanoma Annual Report, 2023, available at: <https://www.sanoma.com/globalassets/sanoma-group/investors/reports-and-presentations/2024/sanoma-corporation-annual-report-2023.pdf>



The Issuer has measures in place systematically ensuring that the assets financed under this Framework promote inclusion and non-discriminatory access to programs and services. In line with its company-level sustainability goals and under Learning Editorial Guidelines,¹⁵ Sanoma's local editorial processes set principles for how diversity should be considered when developing learning materials. The principles focus on the differences in students' learning preferences and digital skills, ensuring accessibility and differentiation when designing learning methods and learning platforms. The Issuer uses checklists to review the inclusion aspect of its products and performs external audits for its learning materials. Moreover, Sanoma provides training to its employees on unconscious biases when creating learning materials and works closely with local organizations and initiatives to ensure that all students can access its materials.

To increase the accessibility and inclusion features of its digital products, the Issuer has been implementing a multi-year platform harmonization project to comply with the EU Directive on the accessibility requirements for products and services, which will be implemented by all EU member states by June 2025, and commits to having its core digital learning products compliant with the AA level of the Web Content Accessibility Guidelines (WCAG) from 2025 onwards.¹⁶ Sanoma further stated that learning content in its operating countries is largely publicly funded, ensuring its affordability for students, and printed and digital learning content represents approximately 1%–3% of public education spending.

Data Information and Security



The Issuer has a Privacy and Data Protection Policy, an Information Security Policy and an Intellectual Property Rights Policy in place ensuring that data collection processes meet minimum requirements for data and information security, and data security in the outsourced data processing. Sanoma's data protection and information security processes comply with Regulation (EU) 2016/679 (General Data Protection Regulation), Data Act 2023/2854, Data Governance Act 2022/868, AI Act, and ePrivacy Directive 2002/58/EC. Furthermore, the Issuer established its externally reviewed Principles of Ethical Use of AI for its operations, which include (i) fairness with the aim for positive impact, (ii) accountability by humans, (iii) explainability, (iv) transparency, (v) risk and impact assessment and (vi) oversight to monitor the implementation.

¹⁵ Sanoma Learning Editorial Guidelines, 2022, available at: https://www.sanoma.com/globalassets/sanoma-group/sustainability/inclusive-learning/sl_editorial_guidelines_external_final_jan2022.pdf

¹⁶ For more detail on Sanoma's inclusivity, see Pages 21-25 of Sanoma's 2023 Annual Report, available at: <https://www.sanoma.com/globalassets/sanoma-group/investors/reports-and-presentations/2024/sanoma-corporation-annual-report-2023.pdf>

A due diligence process has been established with Sanoma's Privacy Programme under the Privacy and Data Protection Policy ensuring the Company continuously improves the responsible use of personal data. Sanoma's dedicated privacy team in the Group Legal function, headed by the Data Protection Officer, is responsible for overseeing the implementation of the process across the businesses. In addition, the privacy team monitors relevant authority and industry guidelines and develops guidance and training to help business and technology teams implement legal requirements in practice. Concerning outsourced data processing, the Issuer implements third-party due diligence, such as risk assessments, checks on integrity, examination of track records, identification of red flags, or definition of requirements such as ISO 27001 certification and ensures these aspects for contracts made with suppliers. Additionally, Sanoma has several technical safety barriers and puts employees through regular information security, cyber security and privacy training to avoid unwanted incidents, and regular audits are conducted.

Responsible Procurement of Printed Materials

Sanoma has a Paper Procurement Standard in place to ensure that assets financed under this Framework will provide sustainable sourcing of wood fiber. The Issuer requires all paper supplied to Sanoma to be sourced from legal sources, traceable and verified. Further, Sanoma aims to use only paper that is certified in accordance with sustainable management practices, including the Forest Stewardship Council (FSC), The Programme for the Endorsement of Forest Certification (PEFC), FSC Controlled Wood and suppliers with ISO 14001.¹⁷



When engaging in supplier relationships in paper sourcing, Sanoma performs screening via its "Know Your Counterparty Tool" regarding the suppliers' compliance with relevant environmental legislation, regulations, sanctions, and operating standards and assesses whether forest and climate-related risks are evaluated and managed by the supplier. The company further collects information via external sources such as the FSC and PEFC registry to verify the supplier information and organize a "Supplier Day" biannually to improve and act on the supplier's sustainability and climate action.¹⁸

¹⁷ Paper Procurement Guidelines of Sanoma, 2013, available at: https://www.sanoma.com/globalassets/wp-content/uploads/2017/11/paper_procurement_guidelines_191213.pdf#:~:text=Basic%20guidelines%20for%20Sanoma%E2%80%99s%20paper%20procurement%3A%20All%20paper,comply%20with%20labor%20standards%20and%20related%20international%20agreements.

¹⁸ Sanoma Annual Report, 2023, available at: <https://www.sanoma.com/globalassets/sanoma-group/investors/reports-and-presentations/2024/sanoma-corporation-annual-report-2023.pdf>

PART III: CONSISTENCY OF SOCIAL BONDS WITH SANOMA'S SUSTAINABILITY STRATEGY

Key sustainability objectives and priorities defined by the Issuer

TOPIC	ISSUER APPROACH
<p>Strategic ESG topics</p>	<p>Sanoma aims to maximize its impact on people’s right to education and freedom of expression and minimize its environmental footprint. The Issuer focuses on six main pillars: (i) inclusive learning, (ii) sustainable media, (iii) valued people, (iv) trustworthy data, (v) vital environment and (vi) responsible business practices. These sustainability pillars have been defined through materiality analysis and stakeholder engagement, using market practices such as the Global Reporting Initiative’s (GRI) indicators.¹⁹</p>
<p>ESG goals/targets</p>	<p>To achieve its strategic ESG topics, the Issuer has set the following targets:</p> <ul style="list-style-type: none"> ▪ Inclusive Learning: (i) co-creating high-quality and motivating learning materials with teachers, fitting the local curriculum, (ii) developing inclusive learning solutions supporting equal access, diversity and differentiation, (iii) ensuring compliance with common accessibility components used in digital products with the AA level of the Web Content Accessibility Guidelines by 2025. ▪ Sustainable Media: (i) ensuring independent media, (ii) increasing awareness, empathy and tolerance with journalism solutions provided, (iii) supporting the local audiovisual community. ▪ Valued People: (i) keeping the annual Employee Experience Index level ≥ 7.5, and Equal Opportunities rating level ≥ 7.6, (ii) achieving a 50/50 gender balance in managerial positions by 2030, (iii) reaching a 40/60 representation share in the Board of Directors, and (iv) reaching an Employee Net Promoter Score (eNPS) of > 10 by 2025.

¹⁹ Sanoma Annual Report, 2023, Pages 18-19, Available at: <https://www.sanoma.com/globalassets/sanoma-group/investors/reports-and-presentations/2024/sanoma-corporation-annual-report-2023.pdf>

	<ul style="list-style-type: none"> ▪ Trustworthy Data: (i) all company-nominated Privacy champions to complete the role-based training and deliver privacy support across departments, (ii) all developers to be trained on Privacy- and Security-by-Design and (ii) all the company’s permanent data breach management task force be trained on handling personal data breaches. ▪ Vital Environment:²⁰ Sanoma has an absolute greenhouse gas emission reduction target, for Scopes 1, 2 and 3, validated by the Science-based Targets Initiative (SBTi). <i>Please see the Climate Transition Strategy section for further information.</i> ▪ Responsible Business Practices: ensuring (i) all employees complete mandatory Code of Conduct e-learning and (ii) all new suppliers sign the Sanoma Supplier Code of Conduct. <p>The goals are public and available in Sanoma’s 2023 Annual Report, and progress on the established goals is monitored annually.²¹</p>
<p>Action plan</p>	<p>To achieve its ESG targets, Sanoma engages with stakeholders such as consumers, teachers, B2B and B2C customers, investors, and suppliers through surveys and discussions, and further acts through industry-specific initiatives and cooperates with trade associations. Sanoma actively cooperates with certain non-governmental organizations (NGOs) and industry associations and is involved in the development of media and learning industry practices related to environmental, social, human rights, business ethics and sustainability reporting topics.</p> <p>Regarding its environmental targets, Sanoma switches to renewable energy-sourced heating and cooling and transitions toward electric and hybrid vehicles. Furthermore, the Issuer encourages its suppliers to measure their climate footprint and energy used and</p>

²⁰ The Issuer also had a goal by 2023 that all wood fiber in the paper qualities used by Sanoma will originate from trusted certified sources. On Page 19 of Sanoma’s 2023 Annual Report, it is noted that as of the 2023 year-end performance, the amount of certified wood fiber in direct paper purchases is 94%.

²¹ For detailed information on the goals, initiatives and progress, see Pages 18-19 of Sanoma’s 2023 Annual Report, available at: <https://www.sanoma.com/globalassets/sanoma-group/investors/reports-and-presentations/2024/sanoma-corporation-annual-report-2023.pdf>

	<p>annually collects data from suppliers related to the material’s production and transport in line with the GHG Protocol.</p> <p>The Issuer stated that the financial impact of the achievement of the ESG targets is considered in Sanoma’s long-term financial targets and annual outlook. Yet, this information has not yet been publicly disclosed.</p>
<p>Climate Transition Strategy</p>	<p>Sanoma’s climate strategy aims to limit global warming to 1.5 degrees Celsius in line with the Paris Agreement. In that regard, the Issuer has set a goal to reduce its (i) absolute Scope 1 and 2 GHG emissions by 42% by 2030 from the 2021 base year, and (ii) absolute Scope 3 GHG emissions from purchased goods and services, fuel and energy-related activities and upstream transportation and distribution, by 38% by 2030 from a 2021 baseline year. This goal is validated by the SBTi in 2023.</p> <p>In its value chain, Sanoma focuses on cooperation with suppliers to reduce its climate and environmental footprint. Key focus areas in its own operations, such as facilities, warehouses and printing house operations, include transition to renewable heating, fossil-free electricity and hybrid vehicles, as well as implementing energy efficiency projects.</p> <p>Sanoma reports its progress on its climate targets and initiatives in its Annual Report.²²</p>
<p>ESG Risk and Sustainability Strategy Management</p>	<p>Sanoma’s Enterprise Risk Management Policy defines the Group-wide risk management principles, objectives, roles, responsibilities and procedures also covering sustainability and climate-related risks. In that regard, the President and CEO, supported by the Executive Management Team (EMT), are responsible for defining risk management strategies and procedures and setting risk management priorities. Concurrently, the Strategic Business Unit identifies, measures, manages and reports the risks identified in</p>

²² For detailed information on Sanoma’s SBTi validated climate target and the Issuer’s current strategy and results, please visit Pages 45-49 of Sanoma’s 2023 Annual Report, available at: <https://www.sanoma.com/globalassets/sanoma-group/investors/reports-and-presentations/2024/sanoma-corporation-annual-report-2023.pdf>

	<p>line with the Corporate Governance Statement and Sanoma Sustainability Policies and Guidelines.²³</p> <p>The President and CEO and the EMT outline Sanoma’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 strategic sustainability guidelines and targets. The EMT also convenes quarterly to approve major sustainability projects, coordinate related development and actions, and evaluate risks and opportunities regarding sustainability, ethics and compliance. Sanoma’s Investor Relations and Sustainability Team supports businesses and functions in target achievement, project implementation, and communications. Afterward, Sanoma’s local business units and employees implement Sanoma’s Sustainability Strategy in cooperation with the Sustainability and Ethics Working Group, Sustainability Team, and other support functions.²⁴</p>
<p>Top three areas of breaches of international norms and ESG controversies in the industry²⁵</p>	<p>Strike action, anti-competitive behavior and layoffs.</p>
<p>Breaches of international norms and ESG controversies by the Issuer</p>	<p>At the date of publication and leveraging ISS ESG Research, no controversy in which the Issuer would be involved has been identified.</p>
<p>Sustainability Reporting</p>	<p>The Issuer reports on its ESG performance, initiatives, and progress against its sustainability targets annually. The report is prepared according to the Global Reporting Initiatives (GRI) guidelines, the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-Related Financial Disclosures (TCFD).²⁶</p>

²³ Sanoma Annual Report, 2023, Pages 17-18 and 85-86, available at: <https://www.sanoma.com/globalassets/sanoma-group/investors/reports-and-presentations/2024/sanoma-corporation-annual-report-2023.pdf>

²⁴ Sanoma Annual Report, 2023, Page 82, available at: <https://www.sanoma.com/globalassets/sanoma-group/investors/reports-and-presentations/2024/sanoma-corporation-annual-report-2023.pdf>

²⁵ Based on a review of controversies identified by ISS ESG over a two-year period, the top three issues that have been reported against companies in the media industry are displayed above. Please note that this is not a company specific assessment but areas that can be of particular relevance for companies in that industry.

²⁶ Sanoma Annual Report, 2023, available at: <https://www.sanoma.com/globalassets/sanoma-group/investors/reports-and-presentations/2024/sanoma-corporation-annual-report-2023.pdf>

<p>Industry associations, Collective commitments</p>	<p>The Issuer is a member of the U.N. Global Compact.</p>
<p>Previous sustainable/sustainability-linked issuances or transactions and publication of sustainable financing framework</p>	<p>-</p>

Rationale for issuance

To align its sustainable financing strategy with its corporate social objectives, Sanoma established its Social Bond Framework to be able to issue social bonds. The Issuer utilizes social bonds as a tool for channeling its eligible financings to enable equal opportunities and access to education for all students.

Sanoma considers education as a fundamental right and key to achieving sustainable development while opening new opportunities for children and societies and building knowledge, capacities and confidence. By issuing social bonds and offering digital learning material products, inclusive learning solutions, and digital learning and teaching platforms under the Framework, Sanoma promotes and supports the long-term development of equal access to education for all students.

Opinion: *The key sustainability objectives and the rationale for issuing Social Bonds are clearly described by the Issuer. The project category financed is in line with the sustainability objectives of the Issuer.*

DISCLAIMER

1. Validity of the Second Party Opinion ("SPO"): Valid as long as the cited Framework remains unchanged.
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ANNEX 1: METHODOLOGY

The ISS-Corporate SPO provides an assessment of labelled transactions against international standards using ISS-Corporate proprietary methodology. For more information, please visit: <https://www.iss-corporate.com/file/publications/methodology/iss-corporate-green-social-and-sustainability-bond-loan-spo-methodology-summary.pdf>

ANNEX 2: QUALITY MANAGEMENT PROCESSES

SCOPE

Sanoma commissioned ISS-Corporate to compile a Social Bond SPO. The SPO process includes evaluating whether the Social Bond Framework aligns with the SBP and assessing the sustainability credentials of its social bonds, as well as the Issuer's sustainability strategy.

CRITERIA

Relevant Standards for this Second Party Opinion:

- Social Bond Principles (SBP), as administered by the International Capital Market Association (ICMA) (as of June 2023 with June 2023 Appendix 1)

ISSUER'S RESPONSIBILITY

Sanoma's responsibility was to provide information and documentation on:

- Framework
- Eligibility Criteria
- Documentation of ESG risks management at the Framework level

ISS-CORPORATE'S VERIFICATION PROCESS

Since 2014, ISS Group, of which ISS-Corporate is a part of, has built up a reputation as a highly reputed thought leader in the green and social bond market and has become one of the first CBI approved verifiers.

This independent Second Party Opinion of the social bonds to be issued by Sanoma has been conducted based on a proprietary methodology and in line with the SBP.

The engagement with Sanoma took place from April to May 2024.

ISS-CORPORATE'S BUSINESS PRACTICES

ISS-Corporate has conducted this verification in strict compliance with the ISS Group Code of Ethics, which lays out detailed requirements in integrity, transparency, professional competence and due care, professional behavior and objectivity for the ISS business and team members. It is designed to ensure that the verification is conducted independently and without any conflicts of interest with other parts of the ISS Group.

About this SPO

Companies turn to ISS-Corporate for expertise in designing and managing governance, compensation, sustainability and cyber risk programs that align with company goals, reduce risk, and manage the needs of a diverse shareholder base by delivering best-in-class data, tools, and advisory services.

We assess alignment with external principles (e.g. the ICMA Green / Social Bond Principles), analyze the sustainability quality of the assets and review the sustainability performance of the Issuer themselves. Following these three steps, we draw up an independent SPO so that investors are as well informed as possible about the quality of the bond / loan from a sustainability perspective.

Learn more: <https://www.iss-corporate.com/solutions/sustainable-finance/bond-issuers/>

For more information on SPO services, please contact: SPOsales@iss-corporate.com

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