

PRESIDENT & CEO'S REVIEW

Annual General Meeting 2024
Tommi Björnman, President & CEO

CONTENT

Suominen today

Financial review 2023

**Progress in strategy and
sustainability 2023**

Outlook 2024





SUOMINEN TODAY

PURE NORDIC QUALITY

EXECUTIVE MANAGEMENT TEAM



Tommi Björnman
President & CEO



Janne Silonsaari
CFO



Jonni Friman
EVP, Transformation
Management Office



Markku Koivisto
EVP, EMEA & CTO



Klaus Korhonen
EVP, HR & Legal



Thomas Olsen
EVP, Americas

SUOMINEN IN BRIEF

- Nonwovens as roll goods for wipes and other applications
- The frontrunner in nonwovens innovation and sustainability
- Business areas: EMEA 36% and Americas 64% of net sales

**Net sales in 2023,
EUR million**

450.9

**Comparable EBITDA in 2023,
EUR million**

15.8

**In 2023, sales of sustainable
products increased***

79%

**In 2023, sales of new products
of net sales exceeded**

35%

*compared to base year 2019

Suominen globally

- Production site
- Piloting facility
- Head office

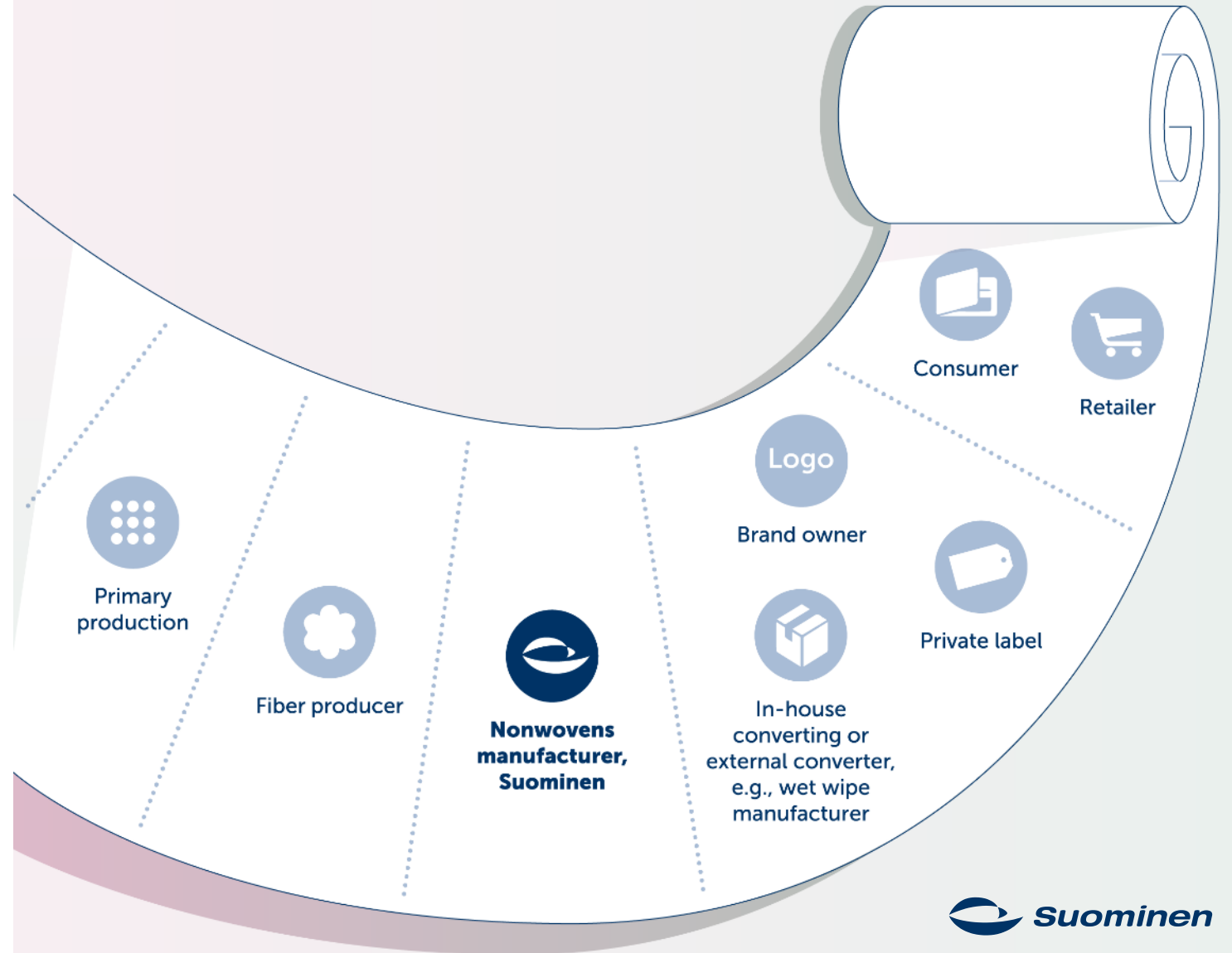


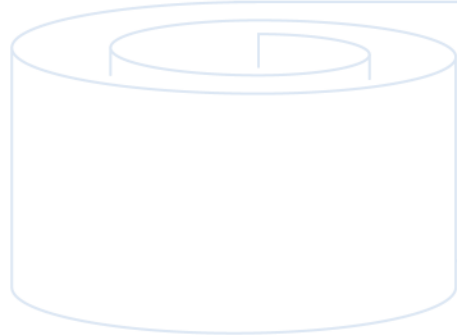
7
locations on
three continents

2
piloting facilities

Suominen's position in the nonwovens value chain

Suominen is a nonwovens manufacturer operating in global markets. Suominen creates value by taking fiber raw materials and turning them into nonwovens that our customers convert into both consumer and professional end products.





Mission

Enabling our customers to win
by creating quality nonwovens

Vision

Frontrunner for nonwovens
innovation and sustainability

Strategy: Growth and profitability through sustainability, customer focus and efficiency

We will grow by creating innovative and more sustainable nonwovens for our customers and improve our profitability through more efficient operations and a high performance culture. Our main focus is on wipes.

We will strengthen our capabilities in Europe and Americas, and evaluate opportunities in Asia.

Strategic focus areas

Operational
excellence

Sustainability
leadership

Differentiate
with innovation
and commercial
excellence

Great place to
work

Dual operating
model

Values

Ownership

Teamwork

Performance

Integrity

SUSTAINABILITY AT SUOMINEN

Pioneer in sustainable products



Sustainable product portfolio since 2007 – BIOLACE® product family
We invented the wetlaid spunlace category for dispersible moist toilet tissue – HYDRASPUN® product family

Strong R&D



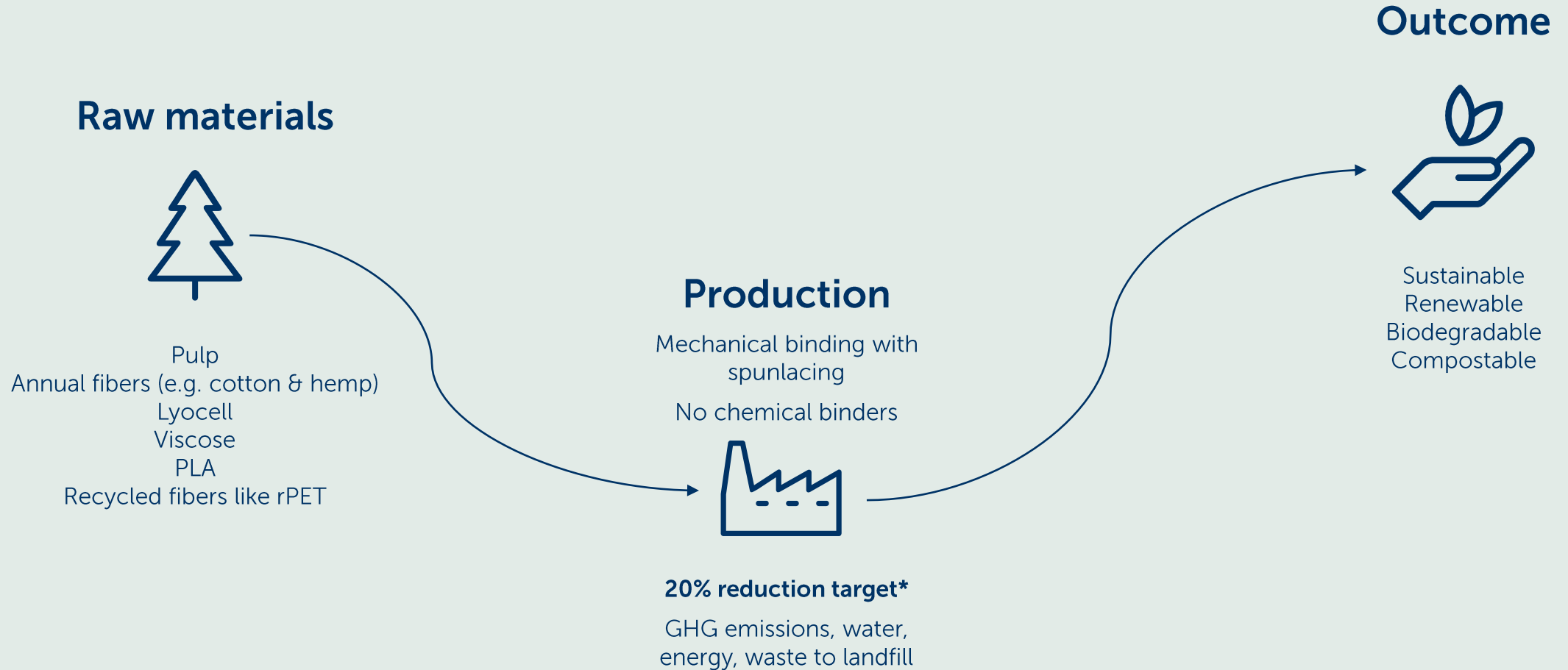
15 R&D professionals
Focus on sustainability and customization
Excellent know-how in sustainable fibers
New Fiber Center and Green Lab
Pilot lines to support R&D and fast go-to-markets

Technology fit to sustainable nonwovens



7 plants – all capable of using sustainable raw materials
Pulp capability
We are able to tailor-make our products according to customers' different definitions of sustainability

Our comprehensive approach for sustainable products



Sustainability defined by Suominen



COMPOSTABLE/ BIODEGRADABLE

Nonwovens are compostable according to the international compostability standards and are made of only fibers from renewable resources.



RENEWABLE

Nonwovens made of variety of renewable materials from biobased plastics to natural fibers.



MOIST TOILET TISSUE

Nonwovens are flushable, biodegradable and dispersible in water. Products comply or exceed the latest industry flushability standards.



PLASTIC FREE

Nonwovens made of biodegradable fibers of natural origin, such as lyocell, pulp and cotton.



RECYCLED CONTENT

Nonwovens with at least 15% recycled fibers, including thermoplastic fibers like rPET from recycled origin or cotton in case recycled from post-industrial source (pre-consumer).

Carbon footprint calculations of all of our products

New Fiber Center

Target is to collaborate and onboard novel sustainable fibers at Suominen

- Pilot and testing facilities in Finland and US
 - Carding and wetlaid
 - Bonding: spunlaced, thermal bonding, composites
 - In future adding pulp capabilities for spunlace
- Prototyping
- Partnerships

Examples of fibers in the pipeline:

- Bast fibers (hemp, flax, nettle)
- Annual fibers
- Regenerated cellulose fiber
- Native cellulose man-made fiber
- Recycled pulp



Our sustainability agenda 2020–2025 and KPI's



- Zero LTA (lost time accidents)
- Engagement index 73% by 2025



People and safety

We invest in increasing employee engagement.
We continue to build a high performance culture.
We continue to strengthen our safety culture.



Sustainable nonwovens

We are the frontrunner in sustainable nonwovens.



- Over 10 sustainable product launches per year
- Sustainable products: 50% increase of sales by 2025 (base year 2019)



Reduction targets are set per ton of product



- 20% reduction of energy consumption
- 20% reduction of process waste to landfill
- 20% reduction of water intake
- 20% reduction of emitted greenhouse gas emissions (base year 2019)



Low impact manufacturing

We continuously strive to decrease environmental impacts of our operations

We promote responsible business practices in our operations and supply chain.

We communicate openly and transparently about our operations.



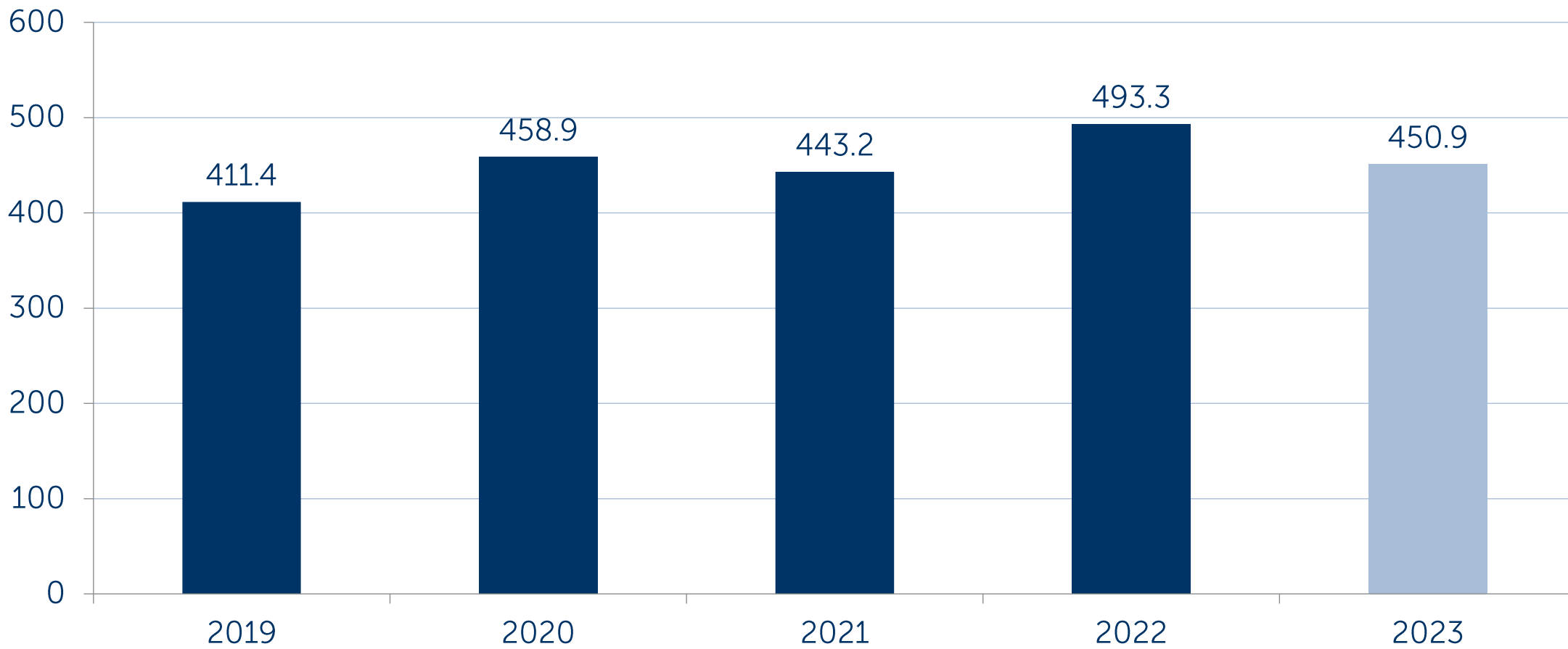
Corporate citizenship



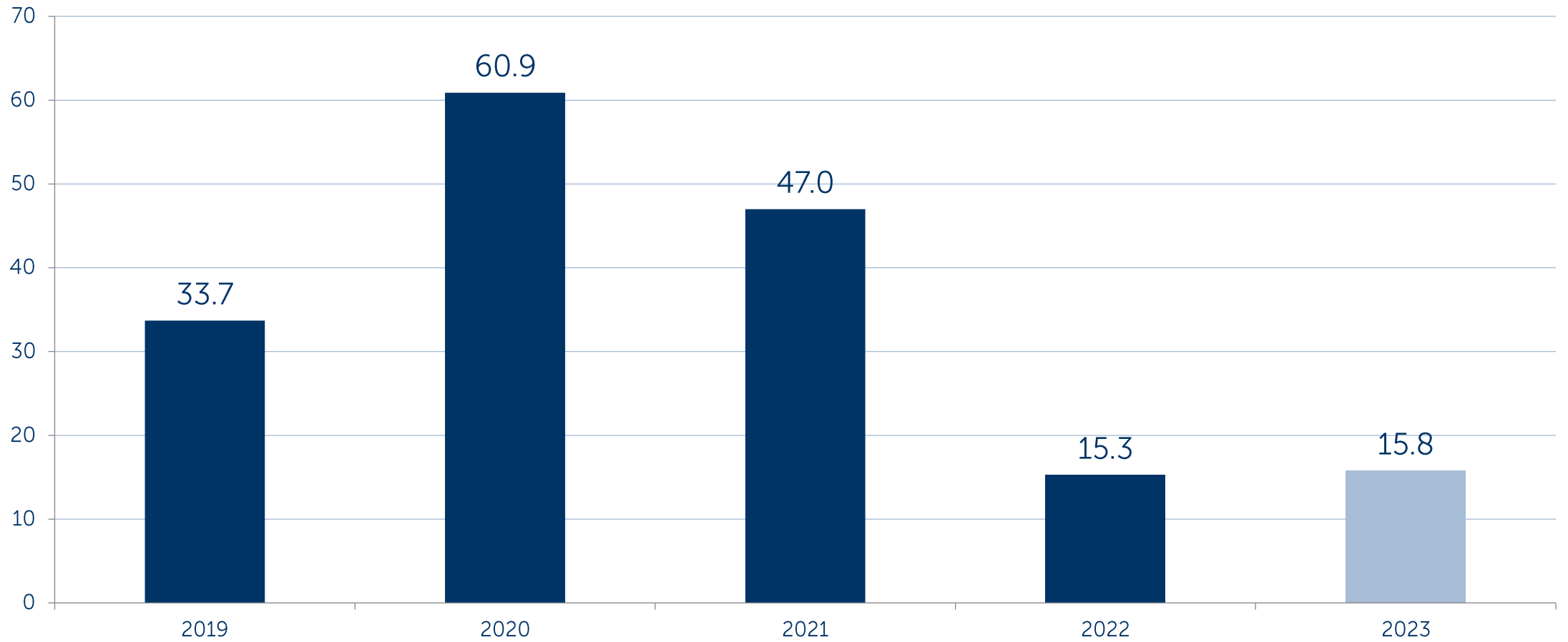
- Renewed Code of Conduct coverage: 100% of existing employees and new hires
- Raw material suppliers assessed against supplier code (based on risk assessment)

FINANCIAL REVIEW 2023

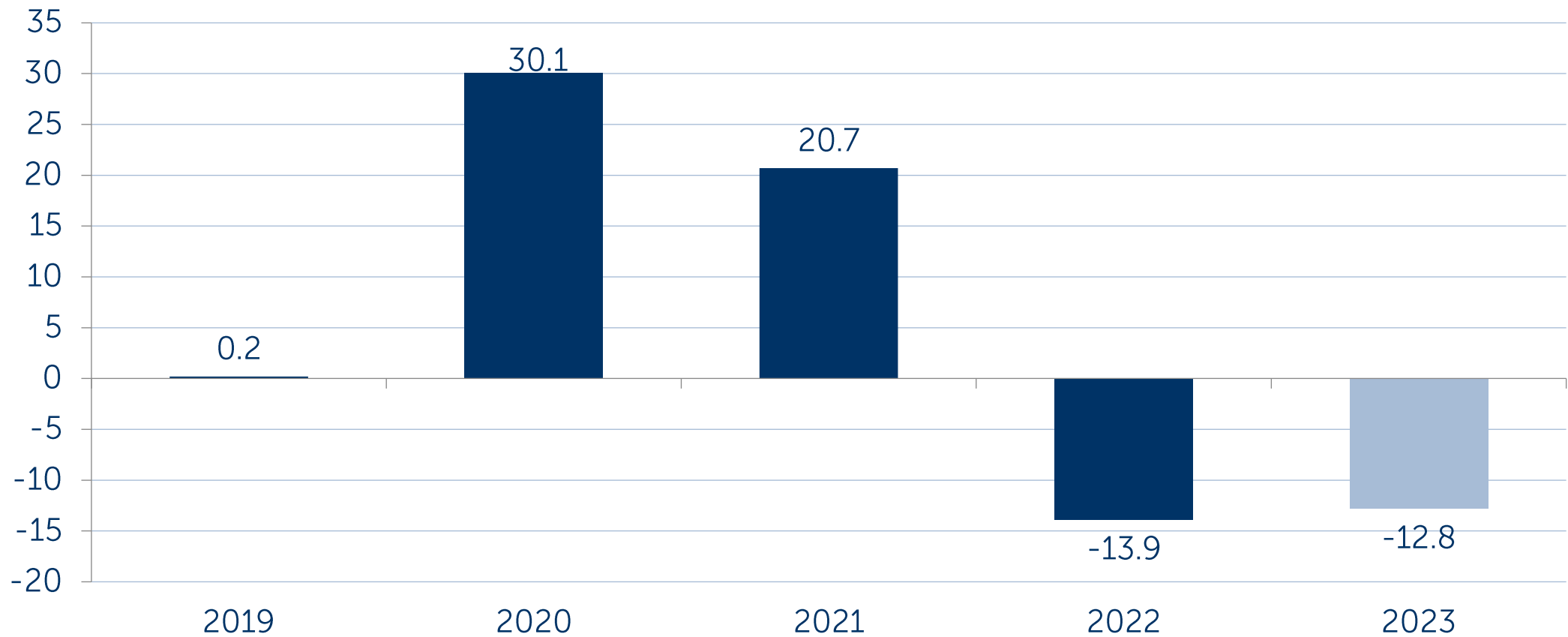
Net sales, EUR million



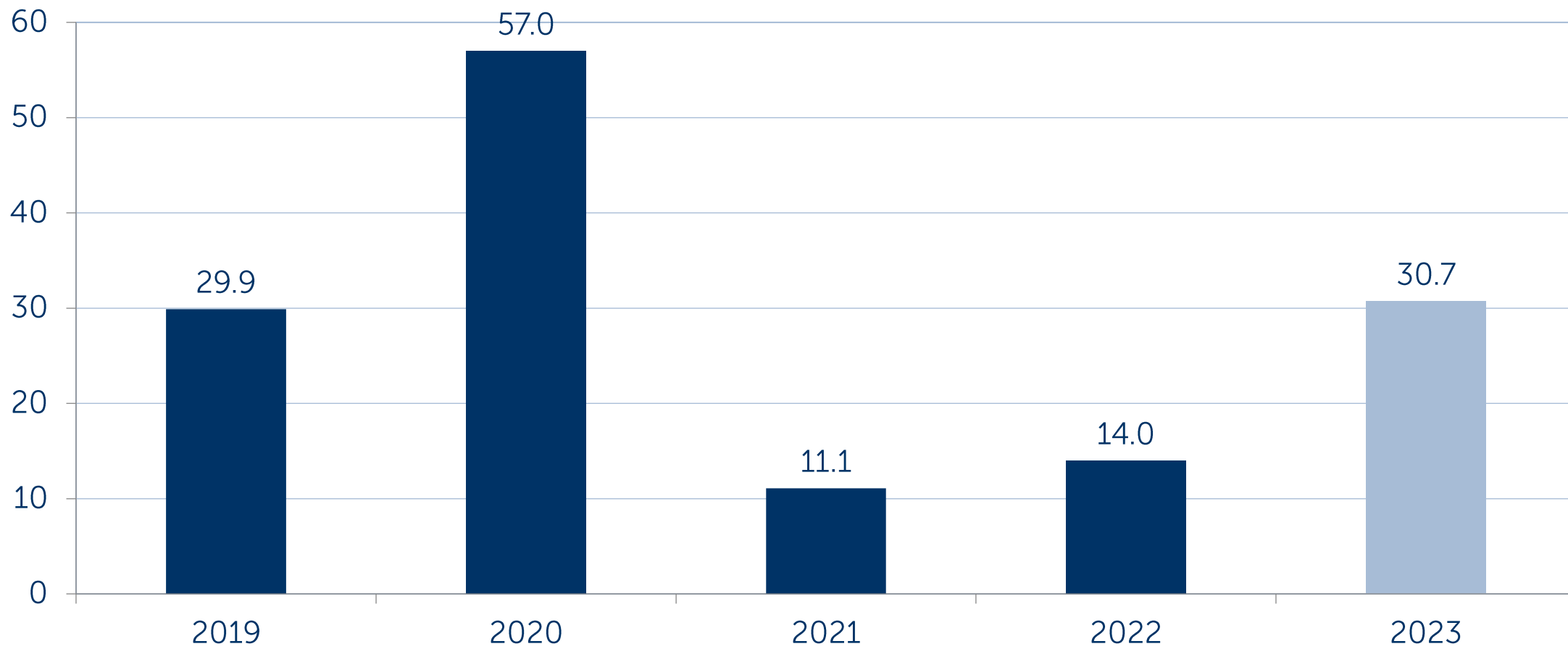
Comparable EBITDA, EUR million



Profit for the period, EUR million

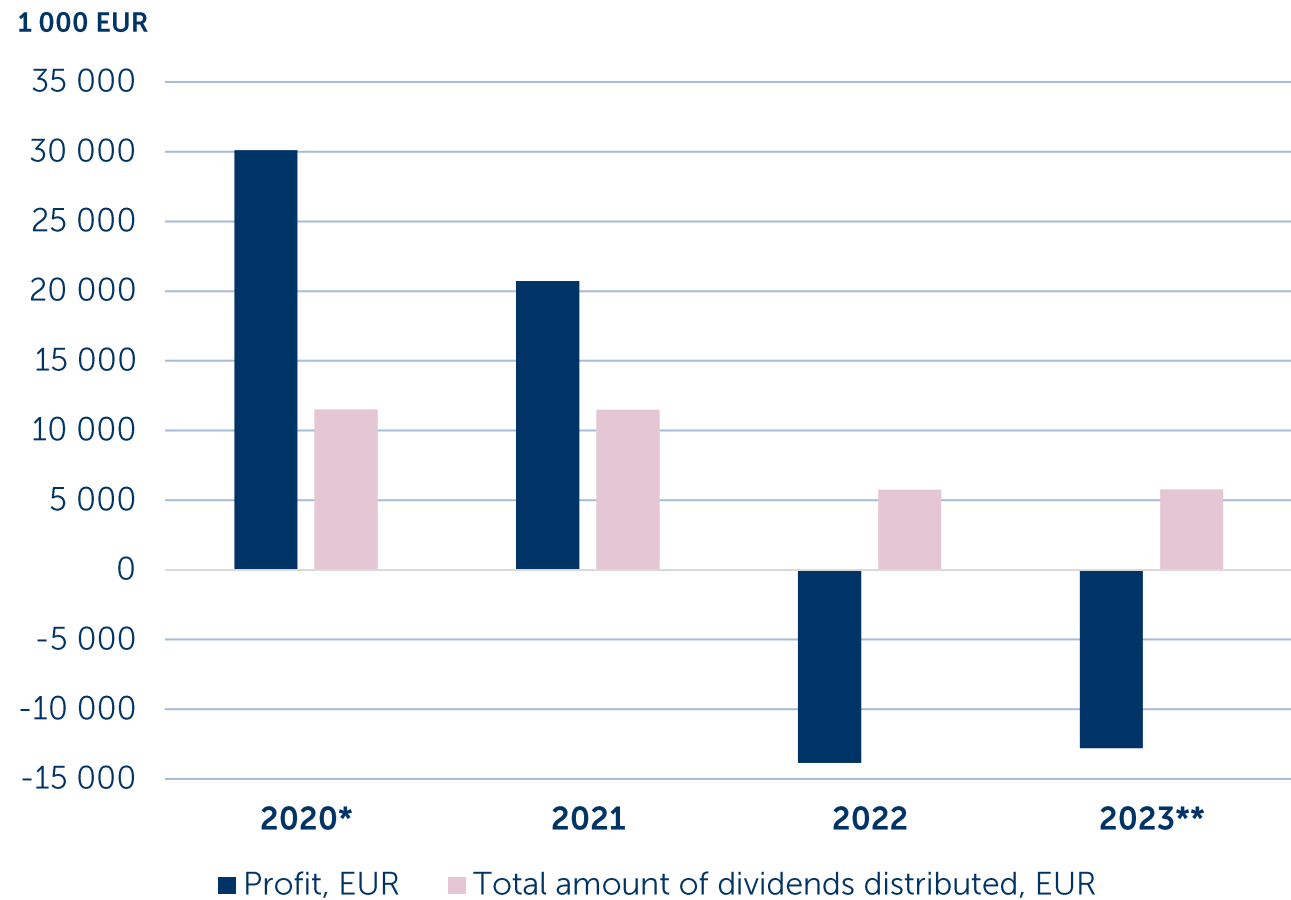


Cash flow from operations, EUR million



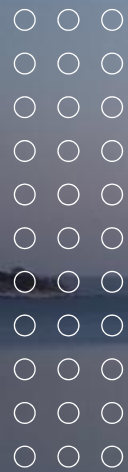
Suominen as dividend payer

According to our dividend policy, Suominen's goal is to distribute at least 30% of the group's profit for the financial year as dividends each year.



* dividend and return of capital
** Board's proposal

HIGHLIGHTS IN 2023



Strategy highlights in 2023

Investment project to further strengthen our capabilities in sustainable nonwovens in Nakkila, Finland

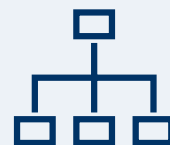


Closure of Mozzate plant in Italy to improve the competitiveness of European business

Share of new products exceeded **35%** of net sales



New organization model to support our profitable growth journey



Sales of sustainable products increased by **79%***

12 sustainable product launches



Silver rating in our second EcoVadis sustainability assessment

* Compared to base year 2019

PROFITABLE GROWTH JOURNEY

PROFITABLE GROWTH JOURNEY

Drive market consolidation based on sustainability leadership

Actively monitor possible add-on acquisitions (single plants, businesses or companies)
→ Prepare organization to merge new businesses, plants or companies to the current management structure, business model and way of working

Profitable growth investments

Focus on “non-plastics” solutions and growing together with selected key customers. Reinforce leading position in all markets.

Focused improvement investments – aim for world class level in nonwoven industry

Improvements: RME, OEE, NWC, Leadtime, Quality, Waste etc.
→ Improve the platform by debottlenecking, waste recycling, automation etc.
– invest in quick payback projects and secure competitiveness

Improve current ways of working

Processes, KPIs, gap closing activity and continuous improvement
Improvements: NWC, S&OP/Planning, Commercial and Operational Excellence etc.
→ Everything what we do today – just do it better

04/2023

11/2023

Q1/2024



OUTLOOK 2024

PURE NORDIC QUALITY

OUTLOOK 2024

Suominen expects that its comparable EBITDA (earnings before interest, taxes, depreciation and amortization) in 2024 will improve from 2023.

In 2023, Suominen's comparable EBITDA was EUR 15.8 million.



PURE NORDIC QUALITY