

digia

Remuneration Report 2024



Letter to shareholders from the Chair of the Compensation Committee

Dear Digia Plc shareholders,

On behalf of the Compensation Committee and the Board of Directors, I would like to present Digia Plc's Remuneration Report for 2024, which has been prepared in accordance with current legislation and the 2025 Corporate Governance Code. The report provides an overview of how Digia's Board of Directors and CEO were compensated in 2024. It also provides a summary of the remuneration paid by Digia in relation to our performance in 2020–24, as well as an explanation of the share-based incentive scheme for 2023–25 and the short-term target bonus scheme for the 2024 financial year.

Digia is a software and service company that combines technological possibilities and human capabilities to build intelligent business, society and a sustainable future. The purpose of remunerations paid by the company is to support its business strategy and promote long-term financial success, competitiveness and the favourable development of shareholder value.

2024 was the second year of our strategy period and Digia's ninth consecutive year of profitable growth. Our full-year net sales grew by 7.1 per cent to EUR 205.7 million. Our operating profit (EBITA) stood at EUR 21.2 million. Digia's Net Promoter Score (NPS), which measures customer satisfaction, improved by 18 per cent from the 2022 baseline and its Employee Net Promoter Score (eNPS), which measures employee satisfaction, has improved by 60 per cent. Digia's overall success was good in spite of the challenging market situation.

The remuneration of Digia's Board of Directors and senior management is based on Digia Plc's Remuneration Policy for Governing Bodies, on which shareholders made an advisory decision at the Annual General Meeting on 20 March 2024. Together with the Remuneration Report, this policy aims to provide investors with a clear picture of the overall remuneration of Digia's governing bodies. The main idea behind the remuneration policy is that overall remuneration is based on the company's performance, as evident in the weighting and indicators of the short- and long-term incentive schemes for senior management.

Sustainability has established itself as part of both the long- and short-term incentive schemes for management alongside financial targets. Both incentive schemes include a sustainability target, which consists of an index that measures our package of ESG sustainability targets. The role that sustainability plays in incentive schemes has also been covered in more detail in Digia's 2024 Sustainability Report, which is part of the Board of Directors' Report, and which has now been published for the first time in accordance with the EU's Corporate Sustainability Reporting Directive.

I would like to thank everyone for the past year, and also for the trust I have been endowed with as Chair of Digia's Compensation Committee. I am looking forward to continue this interesting strategy period and our journey of sustainable growth.

Outi Taivainen
Chair of the Compensation Committee



Introduction

Summary: Digia's remuneration in the 2024 fiscal year in relation to performance

The remuneration of Digia's governing bodies is based on Digia Plc's Remuneration Policy for Governing Bodies, on which shareholders made an advisory decision at the Annual General Meeting on 20 March 2024. This Remuneration Policy will remain in effect until the 2028 Annual General Meeting. The Remuneration Policy is available on our website: digia.com/en/investors/governance/remuneration/

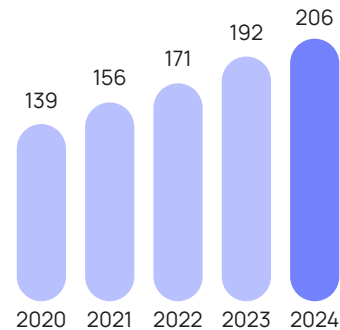
Digia's Board of Directors has approved this Remuneration Report on the proposal of the Compensation Committee and the report will be presented to the Annual General Meeting in spring 2025. The purpose of remunerations paid by the company is to support its business strategy and promote long-term financial success, competitiveness and the favourable development of shareholder value. Another aim is to support the recruitment and commitment of the best possible people to the company's governing bodies. The structure of the remuneration of the company's

Board of Directors and CEO and the decision-making order in the 2024 fiscal year complied with Digia's Remuneration Policy for Governing Bodies. There was no need to deviate from the policy or to claw back remuneration.

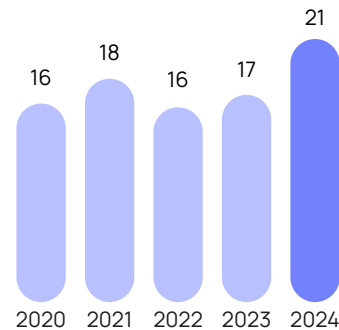
In 2024, Board members were paid a fixed monthly fee plus meeting fees. The amounts paid depended on the role in question – Chair, Vice Chair and member of the Board, and Chair and member of a committee. The fees paid are disclosed below in the section Board remunerations 2024.

The total remuneration paid to the CEO in 2024 consisted of a fixed salary, customary fringe benefits and target bonuses paid on the basis of the short-term incentive scheme. The incentive schemes and the total remuneration paid to the CEO are described in detail below in the sections CEO's remuneration 2024 and Incentive schemes.

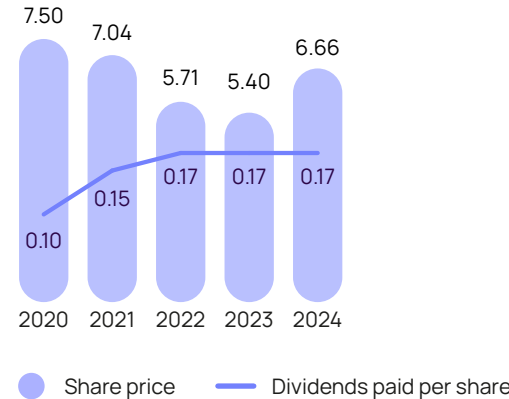
Trend in net sales
EUR million



Trend in operating profit (EBITA)
EUR million



Trend in share price and dividends
EUR million



Development of Digia’s financial performance and remuneration 2020–2024

The following section describes the development of the remuneration paid to members of the Board of Directors and the CEO as of 2020, compared to the development of the average remuneration paid to employees and the financial performance of the company during the same period.

Regarding the trend in the average salary costs of all personnel, it must be kept in mind that new recruitments, acquired businesses and turnover affect the development of the average salary costs. When comparing identical persons at the beginning and end of the year, the development of salary costs is higher than the development of average costs. Some of Digia's employees are also covered by a short-term incentive scheme or other variable pay components. The figure for personnel salaries includes fixed salaries, target bonuses and other variable pay components.

It is primarily the company's senior management that participates in the long-term share-based incentive scheme. Long-term incentives were paid in spring 2020 and spring 2023. However, in order to maintain comparability, the cost of the long-term share-based incentive scheme is not included in the table for personnel salary costs. The costs of the long-term shared-based incentive scheme can be seen in the section CEO's salary and variable pay components for 2020 and 2023. If earned, long-term incentives will next be paid in spring 2026 on the basis of the long-term share-based incentive scheme for 2023–2025.

Remuneration development 2020–2024	2020	2021	2022	2023	2024
Annual remuneration of the Chair of the Board (fixed monthly fee + meeting fees) (EUR)	77,000	88,500*	87,000	86,652	80,000
Annual remuneration of the other members of the Board of Directors (fixed monthly fee + meeting fees), total (EUR)	226,500*	263,000*	255,000	266,435	246,500
CEO's salary and variable salary components, total (EUR)	826,248**	427,760	369,132	981,012**	392,100
Average salary costs of Digia personnel (total salary costs divided by the average number of personnel) (EUR)	61,000	60,978	62,259	64,642	65,492
Net sales (MEUR)	139.0	155.9	170.8	192.1	205.7
Operating profit (EBITA) (MEUR)	16.0	17.7	15.7	16.7	21.2
Earnings per share (EPS) (EUR)	0.40	0.44	0.36	0.37	0.50
Dividends paid (according to the closing year) (EUR)	0.10	0.15	0.17	0.17	0.17
Official closing price of the share in the fiscal year (EUR)	7.52	7.04	5.71	5.40	6.66
Market capitalisation (EUR)	201,714,397	188,839,010	153,163,458	144,848,104	178,645,995

*The table shows the remuneration paid to the Board of Directors in each fiscal year from 2020–2024. In 2021, the members of the Board of Directors, excluding the Chair, were also paid meeting fees totalling EUR 55,000 as a retrospective adjustment of meeting fees for 2019–2020 (EUR 11,000 per Board member). This was because the Annual General Meeting had changed the meeting fee, but the fees paid to the Board for 2019–2020 were too low due to human error. These meeting fees 2020 have been adjusted for comparability in the table and are not included in the figures for 2021, when these delayed fees were paid.

**Payment of long-term shared-based incentives.

Board remunerations 2024

The 2024 Annual General Meeting decided on the payment of monthly fees of EUR 3,500 to Board members, EUR 4,500 to the Vice Chair and EUR 6,000 to the Chair for their work on the Board for the duration of the term expiring at the end of the 2025 Annual General Meeting. In addition, fees of EUR 1,000 to the Chair and EUR 500 to other members are paid per each Board and Board Committee meeting. In addition, Board members will be reimbursed for ordinary and reasonable expenses resulting from Board work against an invoice. In 2024, payments for expenses totalled EUR 2,707.

The following emoluments were paid to members of Digia's Board of Directors for Board and Committee work during the 2024 financial year:

	Roles and committees	Annual fee	Meeting fees for Board and Committee meetings	Total
Martti Ala-Härkönen	Vice Chair of the Board of Directors Chair of the Board's Audit Committee Member of the Nomination Committee	54,000	6,000	60,000
Santtu Elsinen	Member of the Board of Directors Chair of the Board's Nomination Committee Member of the Audit Committee	42,000	4,000	46,000
Robert Ingman	Chair of the Board of Directors Chair of the Board's Nomination Committee Member of the Compensation Committee	72,000	8,000	80,000
Sari Leppänen	Member of the Board of Directors Member of the Board's Compensation Committee	42,000	4,500	46,500
Henry Nieminen	Member of the Board of Directors Member of the Board's Audit Committee	42,000	3,500	45,500
Outi Taivainen	Member of the Board of Directors Chair of the Board's Compensation Committee	42,000	6,500	48,500
Total				326,500

CEO's remuneration 2024

The total compensation paid to the CEO in 2024 consisted of a fixed salary, customary fringe benefits and short-term incentives. The company's remuneration policy and incentive schemes are performance-based. Therefore, the reward level of the CEO's incentive schemes also reflects the implementation of the company's business strategy, its long-term financial success and competitiveness, and favourable developments in shareholder value.

In May 2024, the CEO's fixed total salary was revised as part of the normal salary review process. The CEO's new fixed total salary is EUR 27,500 per month (previously EUR 26,500).

The maximum earning potential of the CEO's short-term incentive scheme remained unchanged (maximum 80 per cent). At target level, the earning potential was increased in 2024 to 50 per cent (2023: 40 per cent) of the 12-month fixed salary excluding holiday pay and fringe benefits, meaning that the outcome at target level is at maximum less than half of the total fixed salary.

In 2024, the CEO was paid a total salary (including fringe benefits) amounting to EUR 342,620 and short-term incentives totalling EUR 49,479.80. Some short-term incentives are paid after the end of the earnings year. Therefore, the short-term incentives paid to the CEO in 2024 included incentives earned in both 2023 and 2024. The incentive consisted

of the realised items described below. The CEO received the company's ordinary personnel and fringe benefits.

Salaries and remunerations paid to the CEO in the 2024 fiscal year

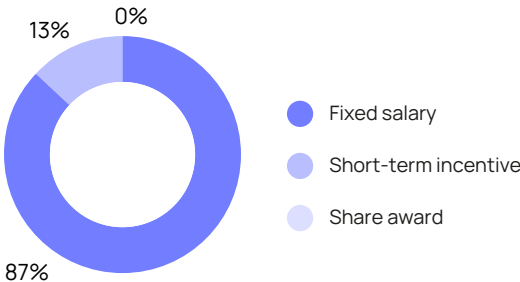
The CEO was paid the following as salary and other benefits during the 2024 fiscal year:

Remuneration component	Paid in 2024
Fixed total salary (incl. fringe benefits)	342,620
Short-term incentive (STI)	49,479.80
Long-term incentive scheme bonus (2023–2025 incentive scheme)	Not paid; payable in spring 2026
Total	392,099.80

Of the short-term incentive paid in 2024, EUR 15,508.80 was related to the incentive earned in 2023 (full-year 2023 incentive outcome less H1/2023 advance payment, paid in Q1/24) and EUR 33,971 to the incentive earned in 2024 (H1/2024 advance payment, paid in Q3/24). The second part of the 2024 incentive will be paid in Q1/2025. The total incentive outcome for 2024 is described at the end of this report.

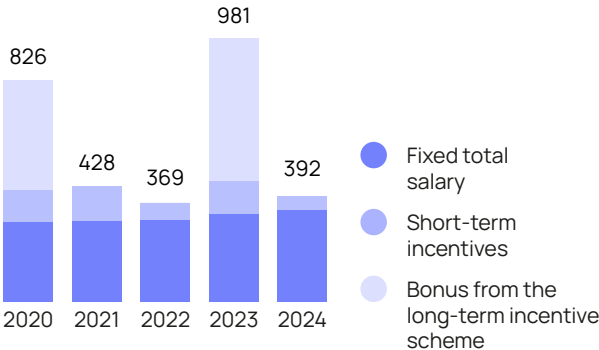
CEO's remuneration structure

Paid 2024



CEO's salaries and remunerations 2020-2024

1,000 EUR



Incentive schemes

Long-term share-based incentive scheme, 2023–2025

Digia Plc has a long-term, share-based incentive scheme that covers the calendar years 2023–2025 and has been approved by the Board of Directors. It offers participants the chance to earn company shares on the basis of targets set by the Board of Directors for the three-year bonus period. These targets are based on the company's net sales, cumulative earnings per share (EPS) for 2023–2025, and sustainability objective. The earnings period for indicators is three years (2023–2025), and the targets for all indicators have been set for the final date of the earnings period.

In principle, the target group consists of the CEO and the company's senior executives. The scheme may also cover other individual key personnel. The scheme is designed to align the goals of the company's shareholders and management in order to increase the company's value, and to commit executive management to the company and its long-term objectives.

Earnings period	Long-term share-based incentive scheme 2023–2025
Targets and weighting	Net sales (50%) Cumulative earnings per share (EPS) (40%) Sustainability target (10%)
Payment	Spring 2026

Short-term target bonus scheme, 2024 fiscal year

The short-term incentive scheme for the CEO and members of the Group Management Team for the 2024 fiscal year corresponds to the target bonus scheme for 2023 in terms of its structure and principles. Although the main emphasis of the earnings criteria for the incentive scheme is on the company's annual performance, the goal is to set indicators that will also support the company's long-term success.

The earnings criteria for the 2024 target bonus scheme are based on the company's net sales and operating profit (EBITA), and its sustainability

targets. These are annual targets with an interim target set for the first half-year. An advance incentive will be paid for reaching this interim target, and the payment will be made in Q3 of the year in question. Any advance payments will be deducted from the incentive paid for achieving the full-year target, which will be paid in Q1 of the following year.

All bonus indicators are assessed independently of each other, but if the full-year operating profit falls short of the set EBITA threshold value, the portion of the target bonus that is assessed at the end of the year will not be paid.

Earnings criterion (all criteria are Digia-level indicators)	Weight	Full-year 2024 target achievement
Net sales	50%	38%
EBITA	40%	85%
Sustainability Index	10%	131%

Of the 2024 incentive, 32% was paid to the CEO in 2024 (H1/2024 advance payment, paid in Q3/24). The remaining 68% will be paid in Q1/25.

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