digia

Board of Directors' Report and financial statements 2024

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Board of Directors' Report 2024

Digia is a growing software and service company that combines technological possibilities and human capabilities to build smarter businesses and societies – and a sustainable future. Our mission is to keep our customers at the forefront of digital evolution by harnessing our well-rounded expertise, comprehensive offering and operational models that suit the customer's needs. Digia is a smart business partner with the most comprehensive IT service offering in Finland: we provide all the layers of digitalisation from business systems to integrations, digital services and 24/7 monitoring and service management. We operate internationally with our customers.

Digia's software and service business is heavily dependent on its experts. Our employees, more than 1,500 experts, are the key to our success. We aim to be an attractive employer in the technology sector – a goal-oriented employer that supports personnel wellbeing and competence development.

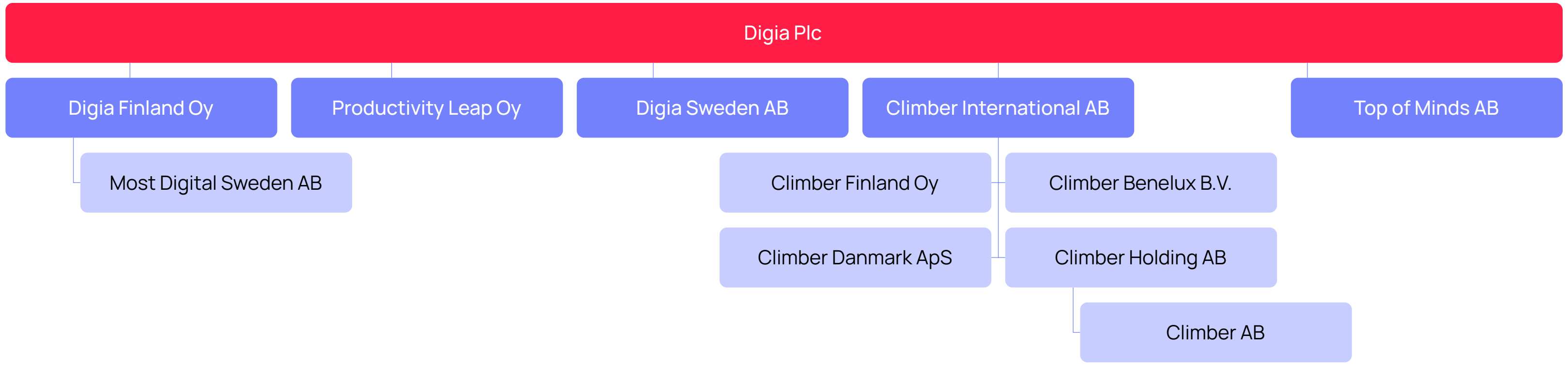
2024 was the second year of our "Unlock your intelligence" strategy. Our strategy is based on delivery capabilities that are valued by customers and our organisation's ability to engage in continuous renewal. Our financial objectives for the strategy period 2023–2025 are annual growth of over 10 per cent in net sales, including both organic and inorganic growth, and operating profit (EBITA) of more than 12 per cent of net sales at the end of the strategy period. We are also aiming for our international business to account for more than 15 per cent of net sales by the end of the strategy period.

In spite of the challenging market situation caused by the uncertain business environment, we continued to grow profitably for the ninth year in a row. Continuous services and our own well-established software products brought stability and scalability during the past year. In addition, growth was particularly strong in 2024 in the Digia Dolphin automation platform, Microsoft Business Central, Microsoft Customer Apps and Power Platform projects, and Digia Hub.

Group structure

Digia operates in ten locations in Finland. Abroad, we operate in Stockholm and Malmö in Sweden and in Hengelo in the Netherlands. Service for our Danish customers is provided from Sweden. Our headquarters are located in Helsinki. On 31 December 2024, the Digia Group included the parent company Digia Plc and the following subsidiaries:

- Digia Finland Oy and its subsidiary Most Digital Sweden AB
- Productivity Leap Oy
- Digia Sweden AB
- Climber International AB and its subsidiaries Climber Finland Oy, Climber Benelux B.V., Climber Danmark ApS, Climber Holding AB, and its subsidiary Climber AB
- Top of Minds AB



All subsidiaries are wholly owned by Digia.

In order to clarify its group structure, Digia started the process of merging its subsidiaries Top of Minds Accelerate AB, Top of Minds Drive AB, Top of Minds Go AB, Top of Minds Steam AB and Top of Minds Top AB into Top of Minds AB on 1 March 2024, effective as from 31 May 2024.

Digia's strategy – "Unlock Your Intelligence" – and financial objectives for 2023–2025

We combine technological possibilities and human capabilities to build smarter businesses and societies – and a sustainable future. We ensure that our customers are at the forefront of digital evolution, with an operational model and rhythm that are right for them. We harness Digia's well-rounded expertise and comprehensive offering as well as operational models that suit the customer's needs. We constantly renew our own operations and expertise, and work with reliable partners. As a versatile company, Digia can offer its employees meaningful job tasks and things to learn. We are building a responsible society and a sustainable Digia.

We implement our strategy by tapping into our strengths and the specialist expertise of our service areas. As a unified company, we provide our customers with extensive solution packages and the expertise of our specialised service areas for their individual needs. We build long-term customer relationships and partnerships.

Our main strengths are:

- reliability and long-term customer relationships
- diverse and constantly evolving top expertise
- a well-rounded offering that can be combined to expand customer relationships
- a strong financial position
- a business model in which continuous services yield operational stability
- the ability to carry out successful acquisitions and grow the acquirees as part of Digia.

Digia's specialised service areas at the beginning of the strategy period:

Digital Solutions: Smart solutions for data utilisation and the customer experience

Digital Solutions provides our customers with comprehensive digital services for developing smart business and enhancing their customer experience. Key areas include data utilisation solutions, AI-based solutions, state-of-the-art customer relationship management, e-commerce solutions, versatile online and mobile services, digital marketing as well as service design and business services. Our subsidiaries Top of Minds in Sweden and Climber in Sweden and the Netherlands bolster our international expertise in these offerings. The Digia Hub in turn brings together top freelance IT professionals in Northern Europe, and enables our customers to acquire versatile business, design and technology expertise to meet the varying needs of their projects.

Business Platforms: Versatile and comprehensive ERP solutions

Business Platforms provides our customers with versatile and comprehensive solutions for smart financial management and ERP. Smart ERP integrates systems, data and processes into a data-driven solution, unlocking the power of automation, AI, and business development. Our 24/7 services enable business continuity both securely and cost-effectively. Our offering comprises Microsoft Dynamics 365 solutions, Oracle NetSuite and our own Digia Envision ERP product (which has been awarded the Key Flag symbol).

Financial Platforms: Service and system packages for fund management companies, asset managers and stockbrokers

Financial Platforms provides versatile system packages for customers in the financial sector. Our business revolves around the Digia Financial Systems product family (DiFS), which is one of the most extensive financial systems for fund management companies, asset managers and brokers in the Nordic countries. DiFS also includes comprehensive account and loan functionalities for banks and lenders. We also provide the necessary back-office functions and processes as a flexible end-to-end service. The Digia Financial Products and Services unit, which is responsible for the DiFS product family and services, is covered by Digia's ISO 27001 certificate.

Managed Solutions: Service packages and outsourcing for maintenance, continuous development and security

Managed Solutions provides customers with the cornerstones of smart digital business. Our service packages help customers to utilise data for business and process development, and guarantee the reliability of critical services. Packages include cloud services, Finland's leading integration and API solutions, robotics and AI automation services, knowledge-based and change management services, information security, high-security solutions and continuous services (that is, 24/7 Managed Services).

Strategy growth paths

1. **Specialised service areas**: Precision solutions delivered using a model suitable for customers. We are expanding our customer relationships into deeper partnerships, harnessing all of Digia's diverse offering and expertise.
2. **Extensive solution packages**: Extensive and demanding solution packages in which we utilise all of Digia's extensive offering, from project deliveries to outsourcing.
3. **Acquisitions**: Enriching our offering and venturing into new markets and customer relationships.
4. **International operations**: Expanding our target market and customer relationships.

Strategy enablers

A modern and attractive work community: Skilled employees are the most important success factor for Digia. Sustainable growth is part of the personal and professional development of each and every Digia employee. We invest in our learning-focused, professional and relaxed culture. We want our employees to enjoy working at Digia. Hybrid work, smart ways of working and tools help us to succeed together.

Scalability and productivity: We invest in scalability and productivity in both our own operations and the solutions we provide for customers. In our own operations, productivity development is based on the continuous renewal of working methods, a smart technology platform that supports them, and harnessing Digia-level synergies. In customer solutions, we focus on increasing scalability in our service and product solutions. We scale our expertise with our Digia Hub network.

Responsibility: Our focus areas in corporate responsibility are based on our strategic policies, the expectations of key stakeholders, the characteristics of the ICT sector and business environment, the impacts of the company's operations, and the objectives of the UN's Sustainable Development Goals and Global Compact. We see the green transition and solving of sustainability challenges as business opportunities. Digital solutions have the potential to significantly contribute to solving sustainability challenges in other fields of business. Data is a key factor in assessing sustainability choices and making decisions.

Objectives for the 2023–2025 strategy period

Financial objectives:

Net sales growth:	more than 10 per cent annually, including organic and inorganic growth.
Operating profit (EBITA):	more than 12 per cent of net sales at the end of the strategy period.

Expansion of our international business:

Our aim is that it will account for more than 15 per cent of net sales by the end of the strategy period.

Sustainability objectives:

Environment	carbon neutrality: CO_2 emissions –60% [1]
People	healthy, diverse and skilled personnel: eNPS +35% [2]
Trusted partner	a visionary, reliable and secure partner: NPS +25% [2]

[1] CO_2 – the comparison year for emissions calculations is 2019, the target value is for the end of 2025

[2] eNPS (employee net promoter score) and NPS (customer net promoter score) – the comparison year is 2022, the target value is for the end of 2025

Strategy implementation in 2024

Digia's strategy seeks to generate sustainable growth both organically and through acquisitions. Our net sales for the fiscal period were EUR 205.7 million, or 7.1 per cent more than in the previous fiscal period. Our operating profit (EBITA) increased by 26.5 per cent to EUR 21.2 million. International operations accounted for 11.8 per cent of net sales at the end of the fiscal year.

Our responsible way of working is integral to our strategy. Our goal during the strategy period is to reduce our carbon footprint, and to be a good and attractive employer and a trusted partner to our customers. Our carbon footprint decreased by 40 per cent from the comparable figure for 2019. Both our customer and personnel satisfaction were at a good level over the past year. Compared to 2022, the beginning of the strategy period, Digia's customer net promoter score (NPS) improved by 18 per cent and its employee net promoter score (eNPS) by 60 per cent. In recognition of our good sustainability efforts, we achieved a silver rating in our annual EcoVadis sustainability assessment for the fourth year running. We also committed to the Science Based Targets initiative, whereby we will define our science-based climate targets in 2025. To strengthen equality and diversity, we updated our equality and non-discrimination plan and signed the Women's Empowerment Principles established by UN Women and UN Global Compact.

Quality and information security are an integral part of Digia's reliable operations. During the fiscal period, we completed the recertification of our ISO 9001 quality certificate without any deviations. In addition, we conducted a follow-up assessment of ISO 27001 information security certification covering previously certified business areas without any deviations.

Major results in 2024:

- Net sales: EUR 205.7 (192.1) million, up 7.1 per cent
- Operating profit (EBITA): EUR 21.2 (16.8) million, change 26.5 per cent;
- EBITA margin: 10.3 (8.7) per cent of net sales
- Earnings per share: EUR 0.50 (0.37)
- Board of Directors' proposal for the distribution of profit to the Annual General Meeting: The Board of Directors will propose to the Annual General Meeting that a dividend of EUR 0.18 (0.17) per share be paid.

Key indicators

Unless otherwise stated, the comparison figures provided in parentheses always refer to the corresponding period of the previous year.

EUR 1,000	2024	2023	2022
Extent of business			
Net sales	205,672	192,087	170,754
– net sales growth, %	7.1%	12.5%	9.5%
Gross capital expenditure[1]	289	149	1,253
– % of net sales	0.1%	0.1%	0.7%
Number of personnel, 31 Dec	1,576	1,527	1,426
Average number of personnel	1,553	1,465	1,399
Profitability			
Operating profit plus purchase price allocation amortisation and costs (EBITA),	21,161	16,727	15,733
– % of net sales[2]	10.3%	8.7%	9.2%
Operating profit (EBIT),	18,208	13,835	12,727
– % of net sales	8.9%	7.2%	7.5%
Net profit,	13,291	9,872	9,571
– % of net sales	6.5%	5.1%	5.6%
Return on equity, %	16.7%	13.5%	13.8%
Return on investment, %	16.6%	12.9%	12.9%

EUR 1,000	2024	2023	2022
Financing and financial standing			
Interest-bearing net liabilities,	11,642	24,771	17,608
Net gearing, %	13.9%	32.8%	24.8%
Equity ratio, %	52.9%	46.7%	45.9%
Cash flow from operations,	25,049	16,973	14,252
Dividends (paid),	4,501	4,515	4,478
Earnings per share (EPS), EUR, undiluted[3]	0.50	0.37	0.36
Earnings per share (EPS), EUR, diluted[3]	0.50	0.37	0.36
Equity/share, EUR[4]	3.12	2.81	2.65
Equity/share, EUR	3.12	2.81	2.65
Dividend per share (2024 proposal), EUR	0.18	0.17	0.17
Dividend payout ratio	36.0%	45.9%	47.2%
Effective dividend yield	2.7%	3.1%	3.0%
Price/earnings (P/E)	13.32	14.59	15.86
Lowest share price	5.04	4.74	5.62
Highest share price	6.96	6.66	7.80
Average share price	5.91	5.96	6.67
Market capitalisation, EUR 1,000	178,646	144,848	153,163
Trading volume, shares	1,405,353	1,830,983	3,683,503
Trading volume, %	5.2%	6.8%	13.2%

[1] Gross capital expenditure includes gross investments in tangible and intangible assets.

[2] Foreign exchange gains and losses from operations are included in the corresponding items above EBIT. Purchase price allocation amortisation includes the amortisation on the transaction prices allocated to customer contracts and other intangible assets in business combinations.

[3] The dilution-adjusted key figures account for the effect of the share-based incentive scheme for management.

[4] Shareholders' equity divided by the undiluted number of shares on the closing date.

As alternative performance measures, the Group reports operating profit before purchase price allocation amortisation and costs (EBITA), operating profit (EBIT), return on equity, return on investment, net gearing and equity ratio, which are not defined in IFRS. The company presents the alternative performance measures to describe the financial situation and development of business operations, as it considers this information necessary for investors. Formulas for the key figures are presented in Note 8.1 and reconciliations in Note 8.2.

Profit guidance for 2025

Digia's profit guidance for 2025: Digia's net sales will grow (EUR 205.7 million in 2024) and its operating profit (EBITA) will either increase or remain on a par with 2024 (EUR 21.2 million in 2024).

Markets, business environment and Digia's market position

Digia's main market is Finland, and we also provide solutions internationally. In addition to Finland, Digia operates in Sweden and the Netherlands.

Digia believes that the market for IT services will grow in the long term, even though demand in the short term has been cautious. The long-term trend in the demand for digital solutions is strong in spite of this, and data utilisation harnessing smart technology both efficiently and securely is an increasingly important success factor for all organisations.

Expanding existing systems and utilising the data they generate will play a central role alongside new digital solutions. This means that both integration and data expertise will become increasingly important. In addition, interest in automation and harnessing artificial intelligence is growing strongly. Our customers' goal is to streamline their existing operations, and thereby enable investments in continuous digitalisation and artificial intelligence.

Digia's extensive offering – from individual service areas to broader customer solutions – brings stability and balances out the effects of any market fluctuations in our business.

We see the following trends:

- User-centred and secure solutions are gaining further ground. A good user experience for applications is of paramount importance.
- The level of automation and smart functionalities is growing. Digital evolution is trending towards automated and AI-assisted or controlled processes and services. These are based on reliable data, its secure availability, and the organisation's ability to refine and utilise data and technology.
- Instead of isolated solutions, the renewal of entire businesses as a whole is being considered. Application and IT system packages are becoming larger and more complex. Operational continuity, which is critical for organisations and business, emphasises the interoperability, reliability and security of system entities. When an overview and roadmap of the big picture have been drafted, system modernisation can be carried out in phases.
- Business operations are becoming networked both internally and externally. Secure and reliable integrations and interfaces are at the heart of digital evolution. They enable the functionality of application packages and data availability.
- Sustainable development and the green transition are megatrends. The utilisation of digital technologies and data is key to solving sustainability challenges.

Digia combines technological possibilities and human capabilities to build smarter businesses and societies – and a sustainable future. In line with our strategy, we develop and maintain high-quality business solutions for our customers, which we fine-tune with automation and smart technology. Our mission is to ensure that our customers are at the forefront of digital evolution, with an operational model and rhythm that are right for them.

Acquisitions and business combinations

Digia made no acquisitions in 2024.

Financial review 2024

Net sales

Digia's consolidated net sales for the fiscal year were EUR 205.7 (192.1) million, up 7.1 per cent on the previous year.

Net sales were increased especially by the open source automation and AI platform, high-security solutions, digital service development, Microsoft Business Central and Microsoft Customer Apps & Power Platform solutions, and the logistics business. The service and maintenance business accounted for 49.9 (56.0) per cent and the project business for 50.1 (44.0) per cent of the company's net sales during the fiscal period. The net sales of both the project and the service and maintenance businesses include product business activities, which accounted for 11.6 (12.1) per cent of the Group's total net sales. The product business comprises Digia's own licences, the licence sales of its partners, as well as licence maintenance.

Profit performance and profitability

Digia's operating profit (EBITA) for the fiscal year was EUR 21.2 (16.7) million with an operating margin (EBITA %) of 10.3 (8.7) per cent. During the fiscal period, EUR 1.6 (0.6) million in expenses related to changes in the fair value of additional purchase prices were recognised in other operating expenses. Earnings before taxes were EUR 16.9 (12.4) million and earnings after taxes were EUR 13.3 (9.9) million.

Earnings per share were EUR 0.50 (0.37). Net financial expenses amounted to EUR –1.3 (–1.4) million.

Financing, cash flow and expenditure

At the end of the fiscal year on 31 December 2024, Digia's balance sheet total stood at EUR 163.5 (168.2) million and its equity ratio at 52.9 (46.7) per cent. Net gearing was 13.9 (32.8) per cent.

At the end of the fiscal year on 31 December 2024, Digia had EUR 29.9 (37.2) million in interest-bearing liabilities. Interest-bearing liabilities consisted of EUR 14.0 million in long-term and EUR 12.6 million in short-term loans from financial institutions, and EUR 3.3 million in lease liabilities.

Cash flow from operations totalled EUR 25.0 (17.0) million in the 2024 fiscal year. Cash flow from investments came to EUR –5.4 (–16.4) million. Acquisitions of subsidiaries and related expenses are included in cash flow from investments. Cash flow from financing was EUR –13.6 (–2.5) million.

Total investments in tangible assets amounted to EUR 0.3 (2.3) million during the 2024 fiscal year. The return on investment (ROI) was 16.6 (12.9) per cent, and return on equity (ROE) was 16.7 (13.5) per cent.

Research and development

Digia constantly invests in enhancing its long-term competitiveness. In the 2024 fiscal year, research and development expenses totalled EUR 3.8 (4.8) million, which represented 1.9 (2.5) per cent of net sales.

All research and development expenses have been recognised in the result. R&D mainly focused on the development of the Digia Envision ERP solution as well as financial and logistics ERP systems. In addition, we continued to develop the Digia Dolphin automation platform.

More information about Digia's services and solutions can be found on the company's website: www.digia.com/en/services.

Human resources and administration

At the end of the period, the total number of Group personnel was 1,576 (1,527), representing an increase of 49 employees or 3.2 per cent since the end of the 2023 fiscal period. The average number of employees was 1,553 (1,465), an increase of 89 employees, or 6.1 per cent, on the 2023 average.

Digia personnel by location:

	31 Dec 2024	31 Dec 2023	Change, no. of employees
Helsinki	741	726	15
Tampere	313	289	24
Jyväskylä	175	178	–3
Stockholm, Sweden	109	116	–7
Turku	96	83	13
Joensuu	28	27	1
Oulu	30	25	5
Rauma	21	21	0
Lahti	20	21	–1
Malmö, Sweden	13	14	–1
Vaasa	12	11	1
Kuopio	8	8	0
Hengelo, The Netherlands	10	8	2
Total	1,576	1,527	49

Share capital and shares

On 31 December 2024, the number of Digia Plc shares totalled 26,823,723 and the company had a total of 7,856 shareholders. Foreign shareholders accounted for 0.6 per cent of all Digia Plc shareholders and they held 1.0 per cent of all shares and votes. Nominee-registered shareholders accounted for 0.1 per cent of all Digia Plc shareholders and 3.1 per cent of shares and votes.

The weighted average number of shares during the accounting period, adjusted for share issues, was 26,477,330. The diluted weighted average number of shares during the period was 26,562,564. The number of outstanding shares at the end of the review period was 26,477,330.

Ten largest shareholders on 31 December 2024

Shareholder	Percentage of shares and votes
Ingman Development Oy Ab	29.5%
Etola Oy	12.8%
Ilmarinen Mutual Pension Insurance Company	9.9%
Varma Mutual Pension Insurance Company	4.6%
Savolainen Matti Ilmari (estate)	3.3%
Nordea Bank Abp	1.0%
Varelius Juha Pekka	0.8%
EAM Digia Holding Oy	0.8%
Kohonen Jorma Tapani	0.8%
Mandatum Life Insurance Company	0.7%

Shareholding by number of shares held on 31 December 2024

Number of shares	Percentage of shareholders	Percentage of shares and votes
1–100	35.2%	0.5%
101–500	35.7%	2.8%
501–1,000	13.5%	3.0%
1,001–5,000	12.6%	7.6%
5,001–10,000	1.3%	2.7%
10,001–50,000	1.2%	7.0%
50,001–100,000	0.3%	5.3%
100,001–500,000	0.2%	9.1%
500,001–	0.1%	62.1%
	100%	100%

Shareholding by sector on 31 December 2024

	Percentage of shareholders	Percentage of shares and votes
Companies	3.0%	46.6%
Households	95.9%	30.5%
Public-sector organisations	0.0%	14.6%
Financial and insurance institutions	0.3%	7.0%
Non-profit associations	0.1%	0.3%
Foreign holding	0.6%	1.0%
	100%	100%

Digia Plc held a total of 129,604 treasury shares at the end of 31 December 2024.

At the end of the period, a total of 216,789 company shares, previously funded by Digia for use in the incentive system for key personnel and owned by EAM Digia Holding Oy, remained undistributed. The shares held by the company and EAM Digia Holding Oy amounted to around 1.3 per cent of the share capital.

Up-to-date information about the company's major shareholders and the distribution of their shareholdings can be found on Digia's website: www.digia.com/en/investors/shareholders.

Share-based payments

Share-based bonuses

In the 2024 fiscal year, Digia had a long-term share-based incentive scheme for senior executives. The earning period in the incentive scheme is 2023–2025.

The scheme's 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. It offers participants the chance to earn company shares if the targets set by the Board of Directors for the three-year bonus period are met.

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. During the bonus period, the company's CEO and other scheme participants are entitled to a bonus equivalent to a maximum of 480,000 new Digia Plc shares. If the terms are met, the bonuses for all indicators based on the new scheme will be paid at the end of the reward period in spring 2026. All bonuses under this scheme will be paid as a combination of shares and cash. The cash component of the bonus will primarily be used to cover taxes and other comparable costs arising from the scheme.

As a rule, the bonus will not be paid if a member resigns or if a member's employment or post is terminated prior to the bonus payment date specified in the incentive scheme. Under certain conditions, the Board may, at its discretion, decide on possible bonuses in accordance with the pro-rata principle.

EUR 0.6 million in expenses were incurred by the scheme during the 2024 fiscal year. EUR 0.4 million in expenses were incurred by incentive schemes during the previous fiscal year.

Digia has an agreement with Evli Awards Management Ltd for the coordination of the company's share-based incentive scheme, the associated share management, and the payment of incentives to individuals in accordance with the terms and conditions of the scheme.

Management ownership

According to the list of shareholders on 31 December 2024, Digia's Board of Directors and CEO owned shares in the company as follows (includes the holdings of related-parties and related-party organisations):

	No. of shares
Robert Ingman, Chair of the Board	7,950,000
Martti Ala-Härkönen, Vice Chair of the Board	20,000
Santtu Elsinen	0
Sari Leppänen	0
Henry Nieminen	1,543
Outi Taivainen	872
Timo Levoranta, President and CEO	154,238

At year-end, the CEO and members of the Board of Directors held a total of 8,126,653 of the company's shares, representing 30.3 per cent of all shares and votes.

Trading in shares during the fiscal year

Digia Plc's share is listed on Nasdaq Helsinki Ltd in the Technology sector. The company's short name is DIGIA.

Summary of trading on Nasdaq Helsinki, 1 Jan – 31 Dec 2024

January–December 2024	Trading volume, shares	Total value, EUR	High, EUR	Low, EUR	Trade-weighted average price, EUR	Latest, EUR
DIGIA	1,405,353	8,300,542	6.96	5.04	5.91	6.66

	31 Dec 2024	31 Dec 2023
Market capitalisation, EUR	178,645,995	144,848,104
Shareholders	7,856	8,067

Flagging notifications

In the 2024 fiscal year, Digia did not receive any flagging notifications as defined in Chapter 9, Section 10 of the Securities Markets Act.

Corporate governance

Annual General Meeting 2024

Digia Plc's Annual General Meeting (AGM) was held on 20 March 2024. The AGM adopted the financial statements for 2023, released the Board members and the CEO from liability, determined Board emoluments and auditor fees, set the number of Board members at six, and elected the company's Board of Directors for a new term.

With regard to profit distribution for 2023, the AGM approved the Board's proposal to pay a dividend of EUR 0.17 per share to all shareholders listed in the shareholder register maintained by Euroclear Finland Ltd on the reconciliation date of 22 March 2024. The dividend payment date was 2 April 2024.

The AGM granted the following authorisations to the Board

Authorising the Board of Directors to decide on buying back own shares and/or accepting them as collateral

The Annual General Meeting authorised the Board to decide on the acquisition and/or pledging of treasury shares with the following terms and conditions:

- A maximum total of 2,000,000 shares may be bought back and/or pledged in one or more instalments. The proposed number is under 10 per cent of the company's total number of shares.
- Only unrestricted equity may be used to buy back treasury shares.
- The Board will decide on how these shares are to be acquired. Treasury shares may be bought back in disproportion to shareholders' holdings (directed acquisition). This authorisation also includes the acquisition of shares through public trading on Nasdaq Helsinki Ltd in accordance with the rules and instructions of Nasdaq Helsinki Ltd and Euroclear Finland Ltd, or through offers made to shareholders.
- Shares may be acquired in order to improve the company's capital structure, to fund or complete acquisitions or other business transactions, to offer share-based incentive schemes, to sell on, or to be annulled.

- The shares must be acquired at the market price in public trading. The minimum price of the shares to be acquired shall be the lowest quotation in public trading while the authorisation is in force and, correspondingly, the maximum price shall be the highest quotation in public trading while the authorisation is in force.
- The Board of Directors is otherwise authorised to decide on all terms relating to share buyback.

This authorisation will supersede the authorisation granted by the AGM of 23 March 2023 and is valid for 18 months, that is, until 20 September 2025.

Authorising the Board of Directors to decide on a share issue and granting of special rights

The AGM authorised the Board to decide on an ordinary or bonus issue of shares and the granting of special rights (as defined in Section 1, Chapter 10 of the Limited Liability Companies Act) in one or more instalments, with the following conditions:

- This issue may total a maximum of 2,500,000 shares. The proposed number is under 10 per cent of the company's total number of shares. The authorisation applies to both new shares and treasury shares held by the company.
- The authorisation may be used to fund or complete acquisitions or other business transactions, for offering share-based incentive schemes, to develop the company's capital structure, or for other purposes decided by the Board.
- It is proposed that this authorisation should include the right for the Board to decide on all terms related to the share issue or special rights, including the subscription price, payment of the subscription price in cash or (partly or wholly) in capital contributed in kind or its being written off against the subscriber's receivables, and its recognition in the company's balance sheet.

This authorisation will supersede the authorisation granted by the AGM of 23 March 2023 and is valid for 18 months, that is, until 20 September 2025.

More information about the AGM's decisions is available at digia.com/en/investors/governance/annual-general-meeting/agm-2024

Board of Directors and auditor

Digia Plc's Annual General Meeting (AGM) of 20 March 2024 re-elected Martti Ala-Härkönen, Santtu Elsinen, Robert Ingman, Sari Leppänen, Henry Nieminen and Outi Taivainen as members of the Board. At its organisational meeting after the AGM, the Board of Directors elected Robert Ingman as Chair and Martti Ala-Härkönen as Vice Chair of the Board.

Ernst & Young Oy, Authorised Public Accountants, are Digia's auditors, with Authorised Public Accountant Terhi Mäkinen as the chief auditor.

Committees of the Board of Directors

During the 2024 fiscal year, Digia's Board of Directors had three committees: the Audit Committee, the Compensation Committee, and the Nomination Committee.

- The Audit Committee consisted of Martti Ala-Härkönen (Chair), Santtu Elsinen and Henry Nieminen.
- The Compensation Committee consisted of Outi Taivainen (Chair), Robert Ingman and Sari Leppänen.
- The Nomination Committee consisted of Santtu Elsinen (Chair), Robert Ingman and Martti Ala-Härkönen.

CEO and Management Team

Digia Plc's CEO is Timo Levoranta, who also serves as the Chair of the Management Team.

On 31 December 2024, Digia's Management Team consisted of:

- Timo Levoranta, President and CEO
- Pia Huhdanmäki, Senior Vice President, HR, Culture & Sustainability
- Juhana Juppo, Chief Technology Officer (CTO)
- Mika Kervinen, General Counsel
- Tapani Ojaluoma, Senior Vice President, Business Platforms
- Tuomo Niemi, Senior Vice President, Financial Platforms, M&As and IT
- Sami Paihonen, Senior Vice President, Digital Solutions
- Pasi Ropponen, Senior Vice President, Sales and Marketing
- Kristiina Simola, Chief Financial Officer (CFO)
- Janne Tuominen, Senior Vice President, Managed Solutions

You can read more about Digia's Management Team on the company's website: www.digia.com/en/investors/governance/ceo-and-management.

Events after the balance sheet date

There have been no major events since the balance sheet date.

Risks and uncertainties

Digia's risks are classified as strategic, financial, operational and sustainability risks. Digia's risk management process is described in more detail in the Corporate Governance Statement. The Audit Committee of the Board of Directors is responsible for supervising the implementation of risk management and assessing its effectiveness. Monitoring focuses on risks of material significance to the company that are classified as high risk. Digia's Group Management Team is responsible for the appropriateness of risk management and overseeing operational activities. The owner of risk management is responsible for reporting on risks and their correct assessment. Digia's risk management process is supported by centralised risk management software.

Changes in the risk status are reported to the Audit Committee twice a year, and the Group Management Team monitors the risk status at its regular meetings. Reports cover the risk status, the impacts of significant risks and measures used to manage them, and the monitoring of objectives, including the specified indicators.

The company's strategic and financial risks relate to potential significant changes in the company's operating environment and service areas and increasing competition, for example, in relation to pricing and contract terms. Geopolitics, general economic trends, higher interest rates and changes in customers' operating environment and financial position may have an unfavourable impact on the company's business, financial position and result through slower decision-making and the postponement or cancellation of IT investments.

Implementing the growth strategy places demands on both the organisation and its management. The company's ability to recruit, maintain and develop the correct competence – and also to correctly time the offering to meet demand – will play a vital role. In line with its strategy, Digia is also seeking growth through acquisitions. However, Digia cannot be certain of locating suitable companies for acquisition or of successfully integrating them.

Operational and cyclical risks largely involve short-term demand. If demand sees a sharp fall, price levels might also decline. The pricing models used in the service business balance out cyclical business. In an inflationary environment, it is not certain how quickly and to what extent the rise in costs will be passed on to market prices.

Major customer projects – and fixed-price projects in particular – involve both business opportunities and risks. As customer projects increase in size, the risks associated with profitability management also grow, and there is a greater need to manage extensive contract and delivery packages. Large customer projects typically involve delivery-related sanctions. At the same time, the risks associated with accounts receivable are also rising.

Data security and protection risks comprise a significant risk area in the company's business operations. Organisations have more and more information that is critical to their operations. Threats to data security and protection have risen significantly in recent years. Data security and protection risks mainly concern technology and people. Significant risk factors also include risks posed by high-security projects and subcontracting chains. Due to the nature of its operations, the company is also the target of hostile influence. The company identifies, manages and prevents both internal and external threats. The company implements a regular ISO 27001 certified risk management process based on best practices in handling data security and protection risks. Risks are identified and their impact and significance are analysed. The risk level is reduced with appropriate measures where possible. Operational response and the handling of potential threats have been planned, rehearsed and tested in practice. The company's employees are continuously trained, and data security and protection issues are actively communicated within the company and, if necessary, also to partners and customers. The company works in close cooperation with a variety of data security and protection authorities and networks. Physical security and personnel safety issues are managed using mechanisms similar to those employed in data security and data protection.

Increasing regulation may also adversely impact the development of Digia's net sales and cost level.

Digia's sustainability risks are reviewed in more detail in the Group's Sustainability Report.

Board's dividend proposal

According to the balance sheet dated 31 December 2024, Digia Plc's distributable shareholders' equity was EUR 70,746,626.13, of which EUR 8,448,323.71 was profit for the fiscal year. At the Annual General Meeting (AGM), the Board of Directors will propose that a dividend of EUR 0.18 per share be paid according to the confirmed balance sheet for the fiscal year ending 31 December 2024. Shareholders listed in the shareholders' register maintained by Euroclear Finland Oy on the dividend reconciliation date, 31 March 2025, will be eligible for the payment of dividend. Dividends will be paid on 7 April 2025.

CORPORATE GOVERNANCE STATEMENT

Corporate governance statement

General

Digia Plc's (hereinafter "Digia") corporate governance system is based on the Companies Act, the Securities Markets Act, general corporate governance recommendations, the company's Articles of Association and its in-house rules and regulations on corporate governance. The company (and this Statement) adheres to the Governance Code for Listed Finnish Companies issued by the Finnish Securities Market Association, which entered into force on 1 January 2025. The Corporate Governance Code can be read on the Finnish Securities Market Association's website (cgfinland.fi).

Digia's corporate governance principles are integrity, accountability, fairness, and transparency. This means that:

- The company complies with applicable legislation and regulations.
- When organising, planning, managing and running its business operations, the company abides by the applicable professional requirements that have been generally approved by its Board members, who demonstrate due care and responsibility in performing their duties.
- The company is prudent in the management of its capital and assets.
- The company's policy is to keep all parties in the market actively, openly and equitably informed of its businesses and operations.
- The company's management, administration and personnel are subject to the appropriate internal and external audits and supervision.

Shareholders' Meeting

Digia's highest decision-making body is the Shareholders' Meeting at which shareholders exercise their voting rights on company matters. The Annual General Meeting (AGM) is held once a year before the end of June on a date set by the Board of Directors. Each company share entitles the holder to one vote at a Shareholders' Meeting.

The Annual General Meeting should convene annually within three months of the date on which the fiscal year ends. An Extraordinary General Meeting must be held if the Board of Directors deems it necessary or if requested in writing by a company auditor or shareholders holding a minimum of 10 per cent of the company's shares, for the purpose of discussing a specific issue.

The Finnish Companies Act and Digia's Articles of Association define the responsibilities and duties of the Shareholders' Meeting. Extraordinary General Meetings decide on the matters for which they have been specifically convened. In order to participate in a Shareholders' Meeting, a shareholder must be entered in the Digia shareholder register maintained by Euroclear Finland Oy on the record date for the Shareholders' Meeting, and must also have registered for the meeting at the latest by the date given in the invitation.

The Chair of the Board, Members of the Board, auditor, anyone nominated for the Board, and the President & CEO should be present at Shareholders' Meetings.

The minutes of Shareholders' Meetings will be available for shareholders to read on the company's website (at digia.com/en/investors/governance/annual-general-meeting) within two weeks of the meeting. The decisions made at Shareholders' Meetings will also be published in a stock exchange release immediately after the meeting.

Shareholders have the right to add a relevant item (as specified in the Companies Act) to the agenda for the Shareholders' Meeting, as long as the request is made in writing to the Board of Directors in time for the item to be added to the notice of meeting. Digia will announce the date by which shareholders must present a requested AGM agenda item to the company's Board of Directors. This deadline will be published on Digia's website. The date will be announced at the latest by the end of the fiscal year preceding the Annual General Meeting.

General overview of governance

Responsibility of Digia's operations is held by the Shareholder's meeting, Board of Directors, and the President & CEO assisted by the Group Management Team.

Digia's Annual General Meeting (AGM) convened on 20 March 2024. Information about the AGM's resolutions is available in the section Annual General Meeting 2024 and on the company's website (digia.com/en/investors/governance/annual-general-meeting/agm-2024). No Extraordinary General Meetings were held in 2024.

Board of Directors

Activities and tasks

The Board of Directors is elected by the Shareholders' Meeting, and is in charge of Digia's administration and the appropriate organisation of the company's operations. Under the Articles of Association, the Board of Directors must consist of a minimum of four and a maximum of eight members. The Nomination Committee will present the Shareholders' Meeting with its proposal for the composition of the new Board of Directors to be appointed.

The majority of Board members must be independent of the company and a minimum of two of those members must also be independent of the company's major shareholders. Neither the CEO nor other company employees working under the CEO's direction may be elected members of the Board.

The term of all Board members expires at the end of the Annual General Meeting following their election. A Board member can be re-elected without limitations on the number of successive terms. The Board of Directors elects its Chair and Vice Chair from amongst its members.

Diversity and independence of the Board of Directors

The diversity of the Board of Directors is described in greater detail in the Governance section of the Sustainability Statement.

The Board of Directors assesses the independence of its members on an annual basis. Of the current members of the Board, Martti Ala-Härkönen, Santtu Elsinen, Sari Leppänen, Henry Nieminen and Outi Taivainen are independent of the company and its major shareholders. Robert Ingman is independent of the company. Robert Ingman is not independent of the company's major shareholders due to his holdings in related parties.

The Board of Directors' rules of procedure

The Board has prepared and approved written rules of procedure for its work. In addition to the Board duties prescribed by the Companies Act and other rules and regulations, Digia's Board of Directors is responsible for the items in its rules of procedure, observing the following general guidelines:

- Good governance requires that, instead of needlessly interfering in routine operations, the Board of Directors should concentrate on furthering the company's short- and long-term strategies.
- The Board's general duty is to steer the company's business with a view to maximising shareholder value in the long term while taking account of expectations set by various stakeholder groups.
- Board members are required to act on the basis of sufficient, relevant and up-to-date information in a manner that serves the company's interests.

The Board of Directors' rules of procedure cover the following tasks:

- Define the Board's annual action plan and provide a preliminary meeting schedule and framework agenda for each meeting.
- Provide guidelines for the Board's annual self-assessment.
- Provide guidelines for distributing notices of meetings and advance information to the Board, and procedures for keeping and approving minutes.
- Define job descriptions for the Board's Chair, members and Secretary (the latter position is held by the General Counsel or, if absent, the CEO).
- Define frameworks within which the Board may set up special committees or working groups.

The Board evaluates its activities and working methods each year, employing an external consultant to assist when necessary.

The Board convened a total of 9 times during the 2024 fiscal year, with 98 per cent attendance.

Committees of the Board of Directors

During the 2024 fiscal year, Digia's Board of Directors had three committees: the Audit Committee, the Compensation Committee, and the Nomination Committee.

These committees do not hold powers of decision or execution unless separately authorised by the Board; their role is to assist the Board in decision-making concerning their areas of expertise. The committees report regularly on their work to the Board, which has decision-making and collegial responsibility over their actions.

Audit Committee

The purpose of the Audit Committee is to assist the Board of Directors in ensuring that the company's financial reporting, accounting methods, sustainability statement, financial statements and any other financial information provided by the company comply with legislation and are balanced, transparent and clear. The Audit Committee also supervises and assesses internal control and auditing, the effectiveness of risk management systems, and how well agreements and other legal actions between the company and its related parties meet market conditions and the requirements for ordinary operations.

The Audit Committee supervises and assesses the independence of the company's auditor and, in particular, the auditor's provision of non-audit services. The Audit Committee also supervises the company's audit and sustainability reporting assurance, and prepares a proposal for the choice of the company's auditor and sustainability reporting assurer. The Audit Committee also reviews reports on notifications received through the Whistleblowing channel.

During the 2024 fiscal year, the Audit Committee consisted of Martti Ala-Härkönen (Chair), Santtu Elsinen and Henry Nieminen. The committee convened 5 times during the fiscal year, with full attendance.

Compensation Committee

Digia's Compensation Committee is tasked with preparing and monitoring remuneration policies for the company's governing bodies and management remuneration schemes in order to ensure that the company's targets are met, that decision-making is objective, and that remuneration schemes are transparent and systematic.

In 2024, the Compensation Committee consisted of Outi Taivainen (Chair), Robert Ingman and Sari Leppänen. The committee convened 5 times during the fiscal year, with full attendance.

Nomination Committee

The Nomination Committee prepares proposals for the Annual General Meeting on (a) the number of members of the Board of Directors, (b) the members of the Board of Directors, (c) the remuneration for the Chair, Vice Chair and members of the Board of Directors, and (d) the remuneration for the Chair and members of the committees of the Board of Directors.

During the 2024 fiscal year, the Nomination Committee consisted of Santtu Elsinen (Chair), Robert Ingman and Martti Ala-Härkönen. The Nomination Committee convened 2 times during the fiscal year, with full attendance.

CEO

The company's Chief Executive Officer is appointed by the Board of Directors. The CEO is in charge of Digia's business operations and administration in accordance with the instructions and regulations issued by the Board of Directors, and as defined by the Finnish Limited Liability Companies Act. The CEO may take exceptional and far-reaching measures, in view of the nature and scope of the company's activities, only if so authorised by the Board of Directors. The CEO chairs the Group Management Team's meetings. The CEO is not a member of the Board of Directors, but attends Board meetings.

The Board of Directors approves the CEO's service contract, which contains a written definition of the key terms and conditions of the CEO's employment. Timo Levoranta has been President & CEO of Digia Plc since 1 May 2016.

Group Management Team

The Group Management Team supports the President & CEO in the routine management of the company. Under the authorisation of the Board of Directors, the Compensation Committee approves the appointments of the members of the Group Management Team and decides on the terms and conditions of their service contracts on the basis of the CEO's proposal. Digia follows the one-over-one principle in Group Management Team and other appointments.

The CEO chairs meetings of Digia's Management Team. The Team meets once every two weeks to assist the CEO in the preparation and implementation of strategy, operative management, and preparing items for consideration by the Board of Directors. The Team draws up annual action and financial plans, sets their associated targets, and monitors their progress. It also prepares significant investments, mergers and acquisitions. The CEO is responsible for the Management Team's decisions. Members of the Management Team are tasked with implementing these decisions within their own areas of responsibility.

The Members of Digia Plc's Board of Directors in 2024

Member of the Board	Born	Gender	Education	Main occupation	Holding on 31 Dec 2024	Member since
Martti Ala-Härkönen, Vice Chair	1965	male	DSc (Econ), LicSc (Tech)	Board professional	20,000	2016
Santtu Elsinen	1972	male	BSc-level studies in economics	Executive Vice President, Alma Marketplaces, Alma Media Plc	0	2018
Robert Ingman, Chair	1961	male	MSc (Tech), MSc (Econ)	Chair of the Board, Ingman Group	7,950,000	2010
Sari Leppänen	1969	female	PhD	CIO, DNA Plc	0	2022
Henry Nieminen	1965	male	MSc (Tech), MBA	Board professional	1,543	2023
Outi Taivainen	1968	female	MSc (Econ)	HR Director, Aava Terveyspalvelut	872	2018

Gender distribution of Board members by percentage: Women 33% and men 67%.

The attendance of Board and Committee members at meetings in 2024

	Board Meetings	Audit Committee	Compensation Committee	Nomination Committee
Martti Ala-Härkönen	9/9	5/5		2/2
Santtu Elsinen	8/9	5/5		2/2
Robert Ingman	9/9		5/5	2/2
Sari Leppänen	9/9		5/5	
Henry Nieminen	9/9	5/5		
Outi Taivainen	9/9		5/5	

Management Team members on 31 Dec 2024

Name	Born	Gender	Education	Area of responsibility	Holding on 31 Dec 2024	Member since
Timo Levoranta	1965	male	MSc (Tech), BSc (Econ)	CEO	154,238	2016
Kristiina Simola	1965	female	MSc (Econ)	CFO	25,585	2017
Mika Kervinen	1968	male	LLM, with court training	General Counsel	17,894	2016
Pia Huhdanmäki	1969	female	LLM	Senior Vice President, HR, Culture & Sustainability	14,240	2018
Juhana Juppo	1971	male	MSc (Computer Science)	CTO and Senior Vice President, Business Services	16,024	2016
Tapani Ojaluoma	1971	male	MSc (Computer Science)	Senior Vice President, Business Platforms	4,571	2024
Tuomo Niemi	1962	male	MSc (Tech), MSc (Econ)	Senior Vice President, Financial Platforms	23,576	2017
Sami Paihonen	1974	male	MSc (Tech)	Senior Vice President, Digital Solutions	4,989	2021
Pasi Roppponen	1973	male	Bachelor of Business Administration	Senior Vice President, Sales and Marketing	2,135	2022
Janne Tuominen	1978	male	MSc (Tech)	Senior Vice President, Managed Solutions	13,090	2021

Gender distribution of Management Team members by percentage: Women 20% and men 80%.

Internal control and risk management related to financial reporting

Control functions and control environment

The company has a finance business partner function that reports to the CFO and is tasked with ensuring the accuracy of monthly financial reporting. The CFO reports on the financial performance of the company and its divisions to Management, the Board of Directors, and the Board's Audit Committee.

The company uses a reporting system that compiles subsidiaries' reports into consolidated financial statements. There are also written directives for completing the financial reports of subsidiaries. The company's CFO monitors compliance with these instructions. The company also has the separate reporting facilities required for monitoring business operations and asset management.

The Group's financial administration unit prepares management's interim reports, consolidated interim reports and consolidated Financial Statements. This financial administration unit has centralised control over the Group's funding and asset management, and is in charge of managing financial risks.

Internal control

Internal control helps to ensure the reliability of the Digia Group's financial reporting. Digia's financial administration unit provides guidance on financial reporting matters. The Group's business is divided into areas of responsibility led by Senior Vice Presidents (SVPs) reporting to the CEO. Reporting and supervision are based on annual budgets that are reviewed monthly, on monthly income reporting, and on updates of the latest forecasts.

The SVPs report to the Group Management Team on development matters, strategic and annual planning, business and income monitoring, investments, potential acquisition targets and internal organisation matters related to their areas of responsibility. Each area of responsibility also has its own management team.

Digia's operational management and supervision adhere to the corporate governance system described above.

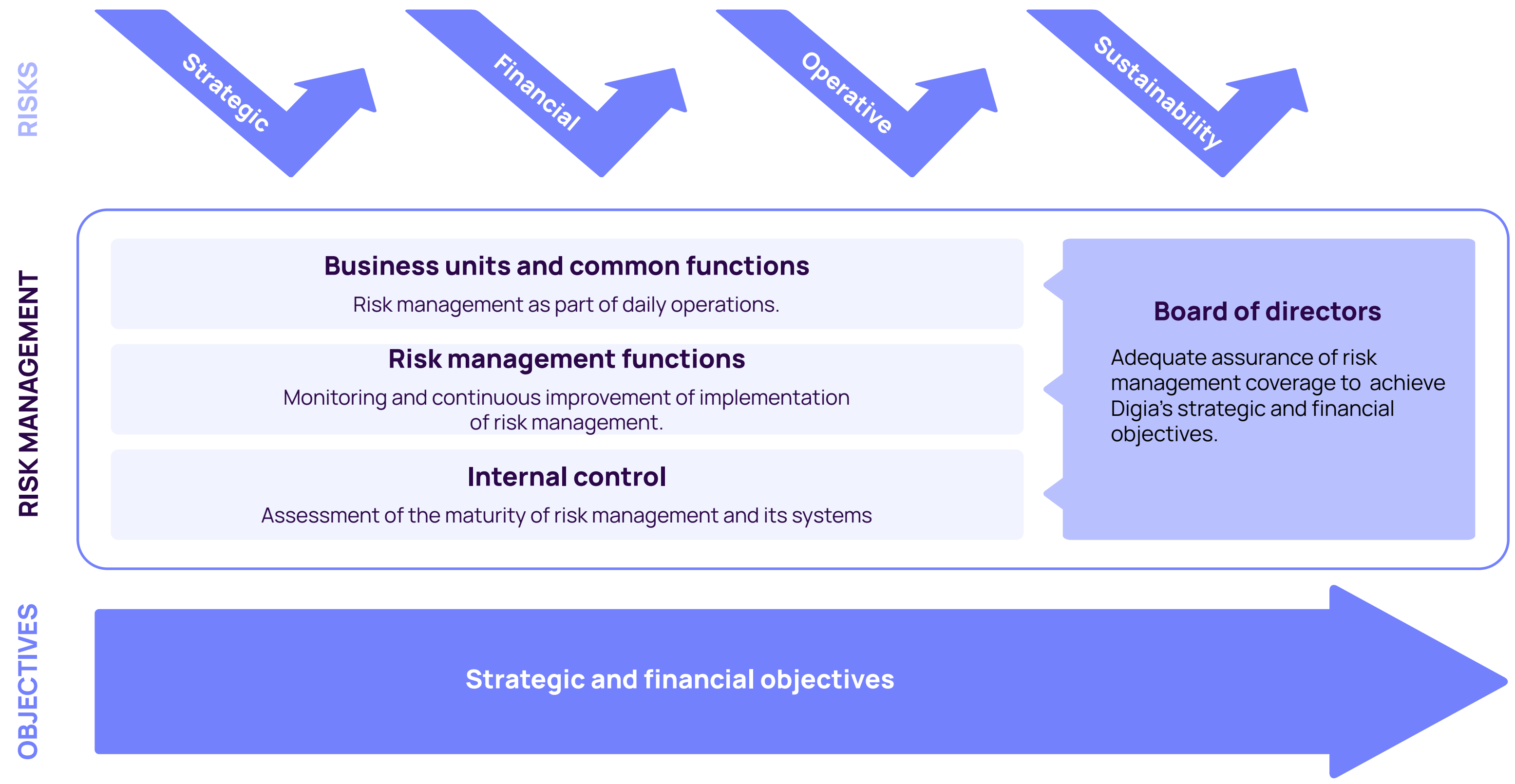
Digia has not yet established a separate function responsible for internal auditing. The need for an internal audit function is regularly assessed. With the company's current business volume, its legal and financial management functions are able to handle internal auditing tasks.

Risk Management

The purpose of the company's risk management process is to identify and manage risks in a way that enables the company to attain its strategic and financial targets. Risk management is a continuous process by which the major risks are determined, listed and assessed, the key persons in charge of risk management are appointed, and risks are prioritised according to an assessment scale that compares the effects and mutual significance of risks. Part of this process involves identifying, planning and implementing risk management measures, and then monitoring their impact. Risk management is continuously developed, and the maturity of its systems is likewise continuously assessed.

Digia's risk management process is supported by centralised risk management software. Risks are classified as strategic, financial, operational and sustainability risks.

Digia's risk management model



Insider issues

Digia complies with the current Guidelines for Insiders issued by NASDAQ Helsinki. Digia also adheres to its own insider guidelines, which supplement NASDAQ Helsinki's guidelines. Digia's General Counsel is responsible for insider issues.

Insiders

Digia's insiders are divided into:

1. permanent insiders, which include the CEO and members of Digia's Board of Directors and Management Team,
2. project-specific insiders, which include those who receive insider information relating to a specific project due to their position or tasks,
3. a list of those who receive financial information.

Permanent insiders are not listed in project-specific insider registers.

Management's business transactions

Members of Digia's Management and those in their close circle must report all business transactions that involve Digia's financial instruments and are worth more than EUR 5,000 to both Digia and the Financial Supervisory Authority. The managerial positions covered by this obligation are: the CEO, members of the Management Team, and members of Digia's Board of Directors.

Digia will issue a stock exchange release on all personal business transactions made by members of Digia's Management and those in their close circle. These releases will be issued within three working days of the transaction. Digia also keeps a record of this information on the company's website.

Closed window

Anyone working in a managerial position at Digia, or who otherwise receives financial information, may not trade in the company's securities during a period of 30 days before the publication of one of the company's business reviews, half-year reports or financial statement bulletins. Project-specific insiders may not trade in the company's securities whilst the project is ongoing.

Reporting misconduct

Digia Plc has a whistleblowing channel for reporting suspected cases of bribery and corruption, market abuse, and violation of Digia's insider guidelines. This channel seeks to promote compliance with good governance in the company's routine activities, and to prevent and detect misconduct. It can be used to report market abuse and the violation of operating principles, regulations and instructions, either confirmed or suspected.

Anyone can make an anonymous report using a form that is available on both Digia's intranet and its public website. All reports are directed to Digia's legal unit and the chair of the Audit Committee of the Board of Directors. All reports will be processed confidentially and professionally in accordance with the Personal Data Act, with regard to both the informant and suspect.

Related-party transactions

According to the Corporate Governance Code, a company must evaluate and monitor business transactions with related parties and ensure that any potential conflicts of interest are duly taken into consideration in the company's decision-making. Here, "the company's related parties" refer to the related parties of listed companies as defined in the Companies Act (IAS24). Digia has issued Board members, the CEO and Management Team members with instructions concerning related parties. In order to enable the monitoring of related-party transactions, the company maintains an up-to-date register of companies and persons who are classified as related parties, including their grounds for being so classified.

It is executive management's task to identify related parties and related-party transactions before engaging in any business. The business function and the legal counsel should together determine whether related-party transactions form part of the company's ordinary business and whether they are subject to standard commercial terms and conditions.

If an intended related-party transaction would be significant for Digia and would either deviate from the company's ordinary business or not be subject to normal market conditions, then this business transaction must be decided upon by the company's Board of Directors.

Digia's related-party transactions are explained in more detail in the consolidated Financial Statements. The company has no significant related-party transactions. Its related-party transactions are carried out under normal market conditions and do not deviate from the company's ordinary business.

Auditor and auditor's fees

Digia has one official auditor, who must be a KHT auditor or KHT audit firm approved by the Auditing Board of the Central Chamber of Commerce. The auditor is elected until further notice. The Annual General Meeting elects the auditor and decides on their fees. Ernst & Young Oy, Authorised Public Accountants, have been the company's auditors since 2022, with Authorised Public Accountant Terhi Mäkinen as the chief auditor.

Auditor's fees in 2024

EUR 1,000	2024
Ernst & Young	
Audit	201
Other statutory duties	22
Tax counselling	4
Other services	36
Other	
Audit	11
Other services	12
Total	286

Board of Directors

Robert Ingman
Chair of the Board of Directors

b. 1961, MSc. (Tech.), MSc. (Econ.)

Digia Board Member since 2010, Vice Chair of the Board 2012–2018, Chair of the Board since 2018. Member of the Board's Compensation Committee and Nomination Committee.

A member of the Directors' Institute of Finland.

Key work experience
CEO, Ingman Group (2000–)
CEO, SVP, Arla Ingman Ltd (2007–2011)
CEO, Ingman Foods Ltd (1997–2000)
CFO, Ingman Foods Ltd (1988–1997)

Chair of the Board of Directors
Ingman Group Ltd (2009–)
Etteplan Plc (2009, 2013–)
Qt Group Plc (2016–)
Ingman Development Ltd (2013–)
Ingman Finance Ltd (2009–)
Halti Ltd (2012–)
CRI Invest & Consulting Ltd (2014–)
M-Brain Ltd (2018–2019) and a Board Member (2011–2018)

Member of the Board
Evli Plc (2010–)
Evli Pankki Plc (2010–2022)
Massby Facility & Services Ltd (2012–2023)
Ingman Baltic Sea Finance Ltd (2015–)
PK Oliver Ltd (2013–)

Independent of the company.

Martti Ala-Härkönen
Vice Chair of the Board

b. 1965, DSc (Econ.), Lic.Sc. (Tech.)

Digia Board Member since 2016 and Vice Chair of the Board since 2023.

Chair of the Board's Audit Committee and member of the Nomination Committee.

A member of the Directors' Institute of Finland.

Key work experience
CFO, EVP, Strategy and IT, Neste Corporation (2022–2024)
CFO, EVP, Caverion Corporation (2016–2022)
CFO, Cramo Plc (2006–2016)
SVP, Finance and Administration,WM-data Ltd (2004–2006)
CFO and Senior Vice President, Business Development, Novo Group Plc (1998–2004)
Manager, Corporate Finance & Finance Manager, Postipankki Plc (1995–1998)

Chair of the Board of Directors
Martinez Renewables LLC, USA (2023–2024) and a Board Member (2022–2023)

Member of the Board
Purmo Group (2018–2021)
Pihlajalinna Ltd (2015–2016)

Member of the Supervisory Board
Ilmarinen Mutual Pension Insurance Company (2022–2024)

Independent of the company and its major shareholders.

Outi Taivainen
Member of the Board

b. 1968, MSc. (Econ.)

Digia Board member since 2018. Chair of the Board's Compensation Committee.

Key work experience
HR Director, Aava Terveyspalvelut Ltd (2019–)
Executive Vice President, HR, OP Group (2015–2018)
Area HR Director, Central and North Europe, KONE Plc (2011–2015)
CEO, HR House (2008–2011)
Vice President, Human Resources, Nokia Plc (2001–2008)
Managerial positions, Nokia Plc (1998–2001)

Chair of the Board of Directors
OP Pension Fund (2015–2018)

Member of the Board
Helsinki Chamber of Commerce (2009–2011)
Henry ry (2006–2008)
Finnish Enterprise Agencies (2006–2008)

Other positions of trust
Helsinki Chamber of Commerce, HR Committee member (2012–)

Independent of the company and its major shareholders.

Santtu Elsinen
Member of the Board

b. 1972, B.Sc.-level studies in economics

Digia Board member since 2018. Chair of the Board's Nomination Committee and a member of the Audit Committee.

A member of the Directors' Institute of Finland.

Key work experience

Executive Vice President, Alma Marketplaces, Alma Media Plc (2024–)
Senior Vice President, Alma Consumer, Alma Media Oyj (2023–2024)
Senior Vice President, Chief Digital Officer, Alma Media Plc (2016–2023)
CEO, Winterfell Capital Ltd (2014–)
CEO, Quartal Ltd (2011–)
Director of Business Development, Talentum Plc (2012–2015)
Director of Business Development, Trainers' House/Satama Interactive Plc (2005–2012)
Creative Director, Business Development Director, Quartal Ltd (1997–2005)

Chair of the Board of Directors

Alma Finanssipalvelut Ltd (2023–)
Kotikokki.net Ltd (2023–2024)
Etua Ltd (2023–) and a Board Member (2018–)
Finnish Authentication Cooperative (2021–2024)
Quartal Ltd (1997–)

Member of the Board

Alma Mediapartners Ltd (2017–2022)
Arena Interactive Ltd (2017–2020)
Media Industry Research Foundation of Finland (2016–2022)
Fondia Tools Ltd (2011–2012)

Other positions of trust

Digital and Population Data Services Agency, member of advisory board (2024–)
Chair of the management group, Mediapooli (2023–)
Chair of the technology working group, Finnish Media Federation (2019–2023)

Independent of the company and its major shareholders.

Sari Leppänen
Member of the Board

b. 1969, PhD

Digia Board member since 2022. Member of the Board's Compensation Committee.

Key work experience

CTO and CIO, DNA Plc (2024–)
CIO, DNA Plc (2023–2024)
CIO, Aktia Bank (2021–2023)
CIO, 3 Step IT Group (2017–2021)
Various executive positions at Telia Group and TeliaSonera (2013–2017) and Nokia (1995–2012).

Member of the Board

Koherent Ltd (2019–)
Fennia (2025–)

Other positions of trust

Member of the Advisory Board for ICT & Electronics Industry, VTt Technical Research Centre of Finland (2016–2017)

Independent of the company and its major shareholders.

Henry Nieminen
Member of the Board

b. 1965, Msc. (Tech.), MBA

Digia Board member since 2023. Member of the Board's Audit Committee.

A member of the Directors' Institute Finland and Hallituspartnerit ry (a Finnish association of board professionals).

Key work experience

CEO, Insta Group Ltd (2016–2022)
CEO, Fujitsu Finland Ltd (2014–2016)
Various executive positions at CGI Finland, Logica and WM-data (2001–2014)

Chair of the Board of Directors

Dicode Ltd (2024–) and a Board Member (2023–)
Netox Ltd (2023–)
Leijona Instituutti (2016–2022)
Fujitsu Estonia Ltd (2014–2016)
Isoworks Ltd (2014–2016)
Techno-Progress Ltd, Poland (2005–2009)

Member of the Board

Temet Group (2024–)
Comatec Mobility Ltd (2024–)
Tampereen Energia (2023–)
Elbit Systems Finland Ltd (2023–)
Millog Ltd (2016–2022)
Senop Ltd (2016–2022)
M-Files Ltd (2012–2020)
Technology Industries of Finland (2019–2022)
Association of Finnish Defence and Aerospace Industries AFDA (2016–2022)
Goodwork Ltd (2016–2022)
Mattila Porvoo Ltd (2016–2022)
Tampere Chamber of Commerce and Industry (2018–2022)
Tietokoura Ltd (2010–2014)
Logica Finland Ltd (2008–2012)

Independent of the company and its major shareholders.

Management team

Timo Levoranta

President & CEO

b. 1965, MSc. (Tech.), BSc. (Econ.)

President & CEO, and Group Management Team Member since 1 May 2016.

Key work experience

Senior Vice President, Digia Plc (2016)
CEO, TDC Ltd Finland (2011–2015)
SVP, Sales & Marketing, Outokumpu Plc (2008–2011)
Managerial positions, TeliaSonera Plc (2002–2008)
Managerial positions, Sonera Plc (1995–2002)
Various roles in the Consumer Mobile Communication Division, Telecom Finland Ltd (1991–1995)

Member of the Board

The Finnish Olympic Committee Marketing Ltd (2021–)
Technology Industries of Finland (2020–)
Levorannan Autoliike Ltd (2022–)

Kristiina Simola

CFO

b. 1965, MSc. (Econ.)

Digia Management Team member since 14 August 2017.

Key work experience

CFO, Digitalist Group Plc (2015–2017)
Deputy Managing Director and CFO, Mirasys Ltd (2012–2015)
Senior Manager, Finance Transformation, Deloitte Finland (2010–2012)
CFO, Profit Software Ltd (2007–2010)
CFO, Foster Wheeler Energia Plc (2005–2007)
CFO, SysOpen Plc (2001–2005)

Mika Kervinen

General Counsel

b. 1968, LLM, Trained on the bench

Digia Management Team member since 1 May 2016.

Key work experience

Senior Legal Counsel, Fondia Ltd (2015–2016)
Director, Business Support, TDC Finland Ltd (2012–2014)
Lawyer, Nokia Networks Ltd (2004–2012)
Lawyer, TeliaSonera Plc (1998–2004)
Lawyer, Kesko Corporation (1996–1998)

Pia Huhdanmäki

Senior Vice President, HR, Culture & Sustainability

b. 1969, LLM

Digia Management Team member since 1 February 2018.

Key work experience

Leading Specialist (industrial policy & lobbying), RadioMedia and Finnish Media Federation (2017–2018)
HR Director/CHRO, Sanoma Media Finland Ltd (2012–2016)
Director – HR, legal and communications, Sanoma News and Sanoma Entertainment Ltd (2010–2011)
Director – HR, legal and communications, Sanoma Entertainment Ltd (2007–2010)
Legal counsel and managerial positions, Sanoma Group Plc (1996–2006)

Juhana Juppo

CTO and Senior Vice President, Business Services

b. 1971, MSc. (Computer Science)

Digia Management Team member since 19 September 2016.

Key work experience

Director, Business Development, Finanssi-Kontio Ltd (2013–2016)
Service Director, CGI Finland Ltd (2011–2013)
CTO, Capgemini Finland Ltd (2005–2011)
Systems Architect, IT Optimo/Itella Plc (2003–2005)
VP, Development, Eigenvalue Ltd (2000–2003)
Project Manager, Capgemini Finland Ltd (1999–2000)
Project Manager, Nokia Networks Ltd (1995–1999)

Tuomo Niemi

Senior Vice President,
Financial Platforms, M&A and IT

b. 1962, MSc. (Tech.), MSc. (Econ.)

Digia Management Team member since 1 June 2017.

Key work experience

Managing Director, Accenture Ltd (2003–2017)
Leading Consultant, Accenture Ltd (1996–2003)
Managerial positions in IT management, ICL Personal Systems (1992–1996)
Consultant, Andersen Consulting Ltd (1989–1991)
Product Manager, Nokia Data Ltd (1988–1989)

Tapani Ojaluoma

Senior Vice President,
Business Platforms

b. 1971, MSc. (Computer Science)

Digia Management Team member since 2 April 2024.

Key work experience

Senior Vice President, IP Solutions, CGI Finland Ltd (2022–2024)
Managing Director, Finanssi-Kontio Ltd (2018–2022)
Sector Vice President, Manufacturing and Retail, CGI Finland Ltd (2015–2018)
Managerial positions in business and sales management, CGI Finland Ltd (2012–2015)
Managerial positions in business and sales management, Logica Finland Ltd (2009–2012)
Managerial positions, Accenture Finland Ltd (2001–2009)
Expert and managerial positions, TeliaSonera's predecessors (1993–2001)

Sami Paihonen

Senior Vice President,
Digital Solutions

b. 1974, MSc. (Tech.)

Digia Management Team member since 18 October 2021.

Key work experience

CTO, Savox Communications (2018–2021)
Senior Adviser, Savox Ventures (2018–2019)
Management positions (2010–2018) & CEO (2015–2017), Digitalist Group
Director, Design Strategy, Samsung (2008–2010)
Design-related management positions, Nokia (1998–2008)

Member of the Board

MindEye Ltd (2021–)
Oulun Kärpät Ltd (2023–)

Pasi Ropponen

Senior Vice President,
Sales and Marketing

b. 1973, Bachelor of Business Administration

Digia Management Team member since 11 April 2022.

Key work experience

Acting CEO and various management positions in sales and business management, Siili Solutions (2012–2022)
Sales management and consultancy positions, Trainers' House (2006–2012)

Member of the Board

HY+ Ltd (2020–)

Janne Tuominen

Senior Vice President,
Managed Solutions

b. 1978, MSc. (Tech.)

Digia Management Team member since 29 March 2021.

Key work experience

Business Unit Leader, CGI Finland Ltd (2018–2021)
Managing Director, Finanssi-Kontio Ltd (2014–2018)
Director, Application Management, Finanssi-Kontio Ltd (2013–2014)
Client Director, Logica Suomi Ltd (2010–2013)
Business Manager, Logica Suomi Ltd (2008–2010)

Member of the Board

Helsingfors Simsällskap (2022–)

SUSTAINABILITY STATEMENT 2024

Sustainability Statement 2024

• General Disclosures

Basis for preparation

General basis for preparation of sustainability statements (BP-1)

This Digia Plc Sustainability Statement has been prepared in accordance with the requirements of the EU *Corporate Sustainability Reporting Directive* (CSRD). The information contained in the Sustainability Statement covers the same period as the company's financial indicators (1 January–31 December 2024), and has been prepared at Group level. Some of Digia's own sustainability objectives cover only part of the Group. Any boundaries are covered in more detail in the topic-specific sections.

As part of its double materiality assessment, *(double materiality has the same meaning as the term double materiality in the ESRS standards and the term two-way information in the Accounting Act)* Digia has analysed those sustainability themes that are most material to the company's business, taking the entire value chain into account. Based on this assessment, the Sustainability Statement covers upstream operations for direct suppliers and downstream operations for Digia's customers and the solutions delivered to its customers' end-users.

Digia has not omitted any information relating to intellectual property, expertise or innovation outcomes.

Disclosures in relation to specific circumstances (BP-2)

Digia has been awarded an ISO 9001 quality certificate, which covers Digia Finland Ltd and the Group's shared services. Digia has also been awarded an ISO 27001 security certificate, which covers some of Digia's business areas and locations.

In both its double materiality assessment and the identification of risks and opportunities, Digia has used the short-term (one year), medium-term (1–5 years) and long-term (more than five years) definitions given in ESRS 1.

Value chain estimation, sources of estimation and outcome uncertainty

Digia has used indirect sources in the calculation of its upstream greenhouse gases (Disclosure Requirement E1-6). Indirect sources have mainly been used in Scope 3 emission categories 1, 3, 6 and 7, for which general factors have been used to calculate emissions. Estimation has therefore been used in the calculation of emissions, as these general factors are derived from widely used emission factor libraries. For more information about the use of indirect and direct sources in the calculation of emissions, see Disclosure Requirement *E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions.*

There is no significant uncertainty associated with the metrics or monetary values used in Digia's emission calculations. However, as general emission factors are often averages that ignore variations in operations or conditions, this may increase the uncertainty of the calculation. The company is continuously developing its emissions calculation process, and aims to increase its use of direct sources through improved supplier management.

Changes in preparation or presentation of sustainability information and reporting errors in prior periods

Digia has retrospectively refined some of the emission factors used in the calculation of its 2023 carbon footprint, and has also expanded its 2023 carbon footprint calculation to better cover the Group's most material emissions in order to provide a reliable comparison year. These corrections and expansions apply to Scope 3 emissions. A comparison of the changes is shown in the table below.

	2023 original	2023 corrected
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)	3,527.2	6,078.8
1 Purchased goods and services	1,571.6	4,047.0
Cloud computing and data centre services	199.3	42.7
2 Capital goods	362.9	423.9
5 Waste generated in operations	7.5	22.7

Incorporation by reference

A list of reported disclosure requirements and references to other content can be found on pages 63–65 of this statement.

Governance

The role of the administrative, management and supervisory bodies (GOV-1)

Responsibility for Digia's operations is held by the Shareholders' Meeting, Board of Directors, and the President & CEO assisted by the Group Management Team. Digia's highest decision-making body is the Shareholders' Meeting at which shareholders exercise their voting rights on company matters.

Board of Directors and Committees

The Board of Directors is elected by the Shareholders' Meeting, and is in charge of Digia's administration and the appropriate organisation of the company's operations. Under the Articles of Association, the Board of Directors must consist of a minimum of four and a maximum of eight members. Neither the CEO nor other company employees working under the CEO's direction may be elected members of the Board.

The Board of Directors has defined a Board diversity policy. It states that the requirements of the company's size, market position and industry should be duly reflected in the Board's composition. Both genders should be represented on the Board. It should be ensured that the Board as a whole will always have sufficient expertise in the following areas in particular:

- the company's field of business
- managing a company of similar size
- the nature of a listed company's business operations
- management accounting
- risk management
- corporate sustainability statement
- mergers and acquisitions
- board work.

The members of Digia's Board of Directors have extensive and relevant expertise in these areas on the basis of their primary work experience and other positions of trust.

The majority of Board members must be independent of the company and a minimum of two of those members must also be independent of the company's major shareholders. Of the current members of the Board, Martti Ala-Härkönen, Santtu Elsinen, Sari Leppänen, Henry Nieminen and Outi Taivainen are independent of the company and its major shareholders. Robert Ingman is independent of the company. Robert Ingman is not independent of the company's major shareholders due to his holdings in related parties.

During the 2024 reporting year, Digia's Board of Directors had three (3) committees: the Audit Committee, the Compensation Committee, and the Nomination Committee. It is the Audit Committee's role to monitor impacts and risks. These committees do not hold powers of decision or execution unless separately authorised by the Board; their role is to assist the Board in decision-making concerning their areas of expertise. The committees report regularly on their work to the Board, which has decision-making and collegial responsibility over their actions.

The purpose of the Audit Committee is to assist the Board of Directors in ensuring that the company's financial reporting, accounting methods, sustainability statement, financial statements and any other financial information provided by the company comply with legislation and are balanced, transparent and clear. The Audit Committee also supervises and assesses internal control and auditing, the effectiveness of risk management systems, and how well agreements and other legal actions between the company and its related parties meet market conditions and the requirements for ordinary operations.

The Audit Committee supervises and assesses the independence of the company's auditor and, in particular, the auditor's provision of non-audit services. The Audit Committee also supervises the company's audit and prepares a proposal for the choice of auditor. It also reviews reports on notifications received through the Whistleblowing channel.

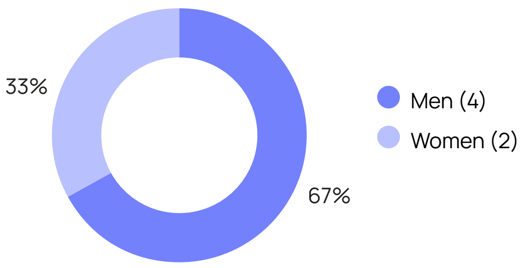
In 2024, the Audit Committee consisted of Martti Ala-Härkönen (Chair), Santtu Elsinen and Henry Nieminen.

CEO and the Management Team

The company's Chief Executive Officer is appointed by the Board of Directors. The CEO is in charge of Digia's business operations and

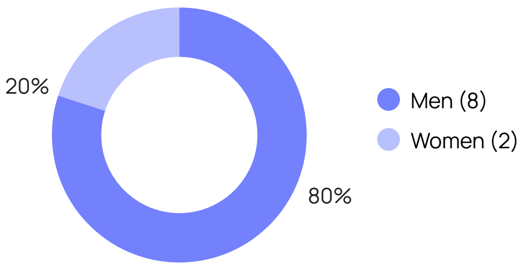
Gender distribution of Board of Directors 2024

per cent



Gender distribution of Management Team 2024

per cent



administration in accordance with the instructions and regulations issued by the Board of Directors, and as defined by the Finnish Limited Liability Companies Act. The CEO chairs the Group Management Team's meetings. The CEO is not a member of the Board of Directors, but attends Board meetings. The Management Team assists the CEO in the preparation and implementation of strategy, routine management, and preparing items for consideration by the Board of Directors. The CEO is responsible for the Management Team's decisions. Members of the Management Team are tasked with implementing these decisions within their own areas of responsibility.

Digia's Management Team consists of ten people: the CEO, CFO, General Counsel, CTO and HR Director, as well as the SVP of Sales and Marketing and the SVPs of four business areas. All members of the Management Team have lengthy experience in the company's sector or their own area of expertise.

Under the authorisation of the Board of Directors, the Remuneration Committee approves the appointments of the members of the Group Management Team and decides on the terms and conditions of their service contracts on the basis of the CEO's proposal. There were no employees or employee representatives in Digia's Management Team during the 2024 reporting year.

Sustainability-related expertise and skills

The Board of Directors, its committees and the Management Team regularly discuss reviews of various aspects of sustainability, which are presented by the Group's experts and operational management. Through these reviews, Digia's senior executives learn about the most material impacts, risks and opportunities associated with the company's sustainability, as well as the company's progress towards its sustainability targets and its sustainability-related projects. These reviews ensure that Digia's management has up-to-date information and competence with regard to sustainability issues. The need for any follow-up measures or external expertise is also decided upon in conjunction with these reviews. The topics discussed during 2024 meetings are covered in more detail in Disclosure Requirement *GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies.* There are no specific other controls or procedures in place.

Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (GOV-2)

Board of Directors and Committees

Digia's Board of Directors, supported by its committees, holds ultimate responsibility for sustainability within the Group. Sustainability is part of the company's Board-approved business strategy, and the Board also approves the company's sustainability focus areas and targets for each strategy period. The Board of Directors likewise approves the sustainability targets to be included in the incentive scheme for management, complete with their relative weightings.

As a rule, the Board of Directors' Audit Committee reviews topical sustainability issues on a quarterly basis. The Audit Committee discussed sustainability at five of its meetings in 2024. At Audit Committee meetings, experts and senior executives present information for the committee to review: sustainability themes, target attainment, development plans, and development measures and their implementation. The outcomes of the Group's risk management (including sustainability risks) are presented to the Audit Committee twice a year, along with any reports of potential misconduct that have been made through the Whistleblowing channel.

During 2024, the following sustainability-related material risks, impacts and opportunities were reviewed at meetings of the Board of Directors and its Committees:

Impacts

- Trends in Digia's CO_2 emission targets and measures to achieve them.
- Value chain emissions: the accuracy of Scope 3 data and a development plan.
- The competencies and resources required to meet stakeholder requirements and carry out actions arising from sustainability regulation.
- An overview of challenges facing the workplace community and any necessary development measures (mental health, equal treatment).

Sustainability management

Board of Directors	Audit Committee
	Remuneration Committee

Management Team

The Sustainability Steering Group

Sustainability Team

The Sustainability Working Group

Social responsibility, human rights, equality and non-discrimination (ESRS S1, S2, S4)	Environmental responsibility (ESRS E1, E5, taxonomy)
Supply chain, procurement and subcontracting (ESRS E1, S1)	Digital safety, data security and privacy (ESRS S4)
Governance (ESRS 1–2, G1)	Customers, customer experience and end-users (ESRS S4)

Strategy and business models

Business areas: sustainability-related services, business impacts and opportunities

Risks

- Information security risks and measures.
- Risks arising from rapid growth in AI usage: the publication of an AI policy.
- Risks associated with new regulations (such as NIS2 and CSRD).
- The adequacy of human resources: current status, personnel competence and turnover.
- The current status and development of risk management.

Opportunities

- Feedback on customer satisfaction (NPS) concerning Digia's status as a trusted partner, and a survey of customer needs with regard to sustainability themes.
- New customer and business development needs that have arisen through increased regulation.
- Digia's attractiveness as an employer: current resources and the company's ability to provide meaningful work that leads to personal development.

CEO and the Management Team

The CEO is responsible for implementing sustainability measures and reaching sustainability targets within the company. Within the Management Team, it is the Senior Vice President of HR, Culture and Sustainability who is responsible for the routine management of sustainability issues.

In 2024, Digia's Management Team formed a separate Sustainability Steering Group in which the Head of Sustainability is the presenter. The steering group thoroughly discusses sustainability-related action and developmental needs on the basis of any identified risks or opportunities and their impacts on Digia's operations. The steering group met seven times in 2024.

Integration of sustainability-related performance in incentive schemes (GOV-3)

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 be applicable until the 2028 Annual General Meeting, and is available on Digia's website at: https://digia.com/en/investors/governance/statement-on-digia-management-emoluments.

The 2024 Remuneration Report provides an overview of the compensation paid to Digia's Board of Directors and CEO in 2024. It also gives a summary of the remuneration paid by Digia in relation to its 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.

In May 2023, Digia Plc's Board of Directors decided to establish a new long-term share-based incentive scheme for the period 2023–2025. In principle, the target group of the scheme consists of the CEO and the company's senior executives. The scheme may also cover other individual key personnel. The targets for the long-term share-based incentive scheme are based on the company's net sales (weighting 50%), cumulative earnings per share (EPS) for 2023–2025 (weighting 40%) and Digia's sustainability target (weighting 10%).

In 2024, the earnings criteria for the short-term target bonus scheme were based on the company's net sales (weighting 45%), EBITA operating profit (weighting 45%) and sustainability target (weighting 10%). The targets are set for the calendar year. The target bonus scheme covers Digia's CEO and Management Team, and is approved by Digia's Board of Directors.

Both the long-term share-based incentive scheme and the short-term target bonus scheme have the same sustainability targets: a reduction in CO_2 emissions (weighting 20%), eNPS (weighting 40%) and NPS (weighting 40%).

Statement on due diligence (GOV-4)

Key elements of the due diligence process	Sections of the Sustainability Statement
a) Embedding due diligence in governance, strategy and business model	ESRS 2: GOV-1, GOV-2, SBM-1, SBM-3, MDR-P; ESRS: G1-1
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2: SBM-2, IRO-1, MDR-P; ESRS: E1-2; ESRS: S1-2, S2-2, S4-2; ESRS: G1-2
c) Identifying and assessing adverse impacts	ESRS 2: IRO-1, SBM-3; ESRS: G1-3
d) Taking actions to address those adverse impacts	ESRS 2: MDR-A; ESRS: E1-3, E5-2; ESRS: S1-1, S1-3, S1-4, S2-1, S2-3, S2-4, S4-1, S4-3,S4-4
e) Tracking the effectiveness of these efforts and communicating	ESRS 2: MDR-M, MDR-T; ESRS: E1-4, E5-3; ESRS: S1-5, S1-13, S1-14, S1-15, S1-16, S1-17, S2-5, S4-5; ESRS: G1-4

Risk management and internal controls over sustainability reporting (GOV-5)

The purpose of Digia's risk management process is to identify and manage risks in a way that enables the company to attain its strategic and financial targets. Risk management is a continuous process by which Digia determines, lists and assesses its major risks, appoints key persons to take charge of risk management, and prioritises risks according to an assessment scale that compares the impacts and mutual significance of risks. This process involves identifying, planning and implementing risk management measures, and then monitoring their impact. Risk management is continuously developed, and the maturity of its systems is likewise continuously assessed. Digia's risk management process is supported by centralised risk management software. Risks are classified as strategic, financial, operational and sustainability risks.

The current risk assessment model is based on the COSO model and the applicable sections of ISO 31000. Risks are prioritised on the basis of their consequences, financial impact and probability.

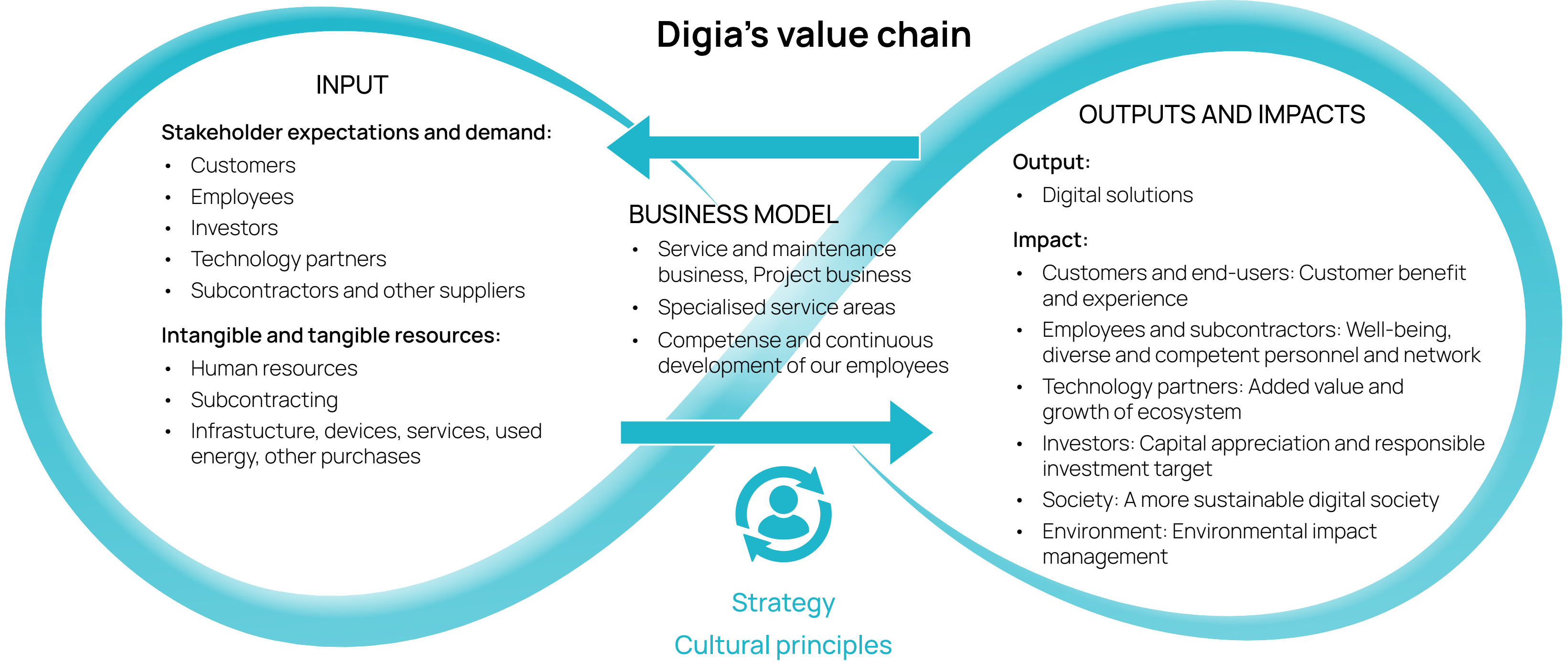
Digia's identified sustainability risks consist of environmental, social and governance risks. Office work poses a rather low risk of environmental damage. The potential risks related to social responsibility that are monitored include experiences of overwork, occupational wellbeing, discrimination and unequal treatment. The monitoring of procurements, in turn, involves potential human rights risks such as the use of forced labour in the manufacture of equipment and the sourcing of raw materials. Administrative risks primarily concern the company's legal compliance and ethical operations. Both the risks and their mitigation strategies are covered in the topic-specific sections.

Digia will update its double materiality assessment at least once per strategy period, or when significant changes occur in the company's business. At the same time, the company will also review the need for any changes in the management of sustainability risks.

Digia has not yet established a separate function responsible for internal auditing. The company regularly assesses the need for an internal audit function. With the company's current business volume, its existing functions are able to handle internal auditing tasks.

The Audit Committee of the Board of Directors is responsible for supervising the implementation of risk management and assessing its effectiveness. Monitoring focuses on risks of material significance to the company that are classified as high risk. The Audit Committee receives an overview of risk management, which consists of a breakdown of the most significant risks and the distribution of risks along the probability-effect axis.

Changes in the risk status are reported to the Audit Committee twice a year, and the Group Management Team monitors the risk status at its regular meetings. These reports cover the risk status, the impacts of significant risks and measures used to manage them, and the monitoring of objectives, including the specified indicators. Digia's Group Management Team is responsible for the appropriateness of risk management and overseeing operational activities. Any potential sustainability risks are also addressed as necessary by the Sustainability Steering Group and Quality Steering Group.



Strategy

Strategy, business model and value chain (SBM-1)

Digia provides its customers with extensive solution packages and the expertise of specialised service areas to meet their individual needs. Digia combines technological possibilities and human capabilities to build smarter businesses and societies – and a sustainable future.

Digia reports its business in one segment as per IFRS 8. In the Financial Statements, the company reports on the distribution of its net sales by market area. Digia also reports on the proportions accounted for by the service and maintenance, project, and product businesses. Sustainability-related projects are not, however, itemised in these reports. More information about reporting segments and net sales distribution is provided in the Financial Statements under *Section 3 Financial development*. There have been no significant changes in net sales structure during the reporting period.

Digia's main market is Finland, and the company also provide solutions internationally. In addition to Finland, Digia operates in Sweden and the Netherlands. The Digia Group has three subsidiaries in Finland, six in Sweden, one in Denmark and one in the Netherlands. The Danish subsidiary and one of the Swedish subsidiaries do not have any employees.

The company serves a broad range of customers from both the private and public sectors. There have been no significant changes in the company's market areas or customer groups during the reporting period.

The number of Digia employees by geographical region has been reported in this Sustainability Statement: see section *S1 Own workforce*.

As part of the company's strategy, Digia has set its sustainability targets at Group level. These targets cover all aspects of sustainability (E, S and G) and are described in more detail in the *Metrics and Objectives* section of this Sustainability Statement.

Interests and views of stakeholders (SBM-2)

Digia's most important stakeholders are customers, personnel, investors, educational institutions, technology partners, subcontractors, organisations and communities. When identifying the material aspects of responsibility for each stakeholder, Digia has taken into account the most significant economic, social and environmental impacts of its operations and services, as well as other significant trends affecting the ICT sector. Digia builds up an understanding of materialities and stakeholders' expectations through a combination of routine management and regular meetings, surveys and analyses. Communication methods vary by stakeholder.

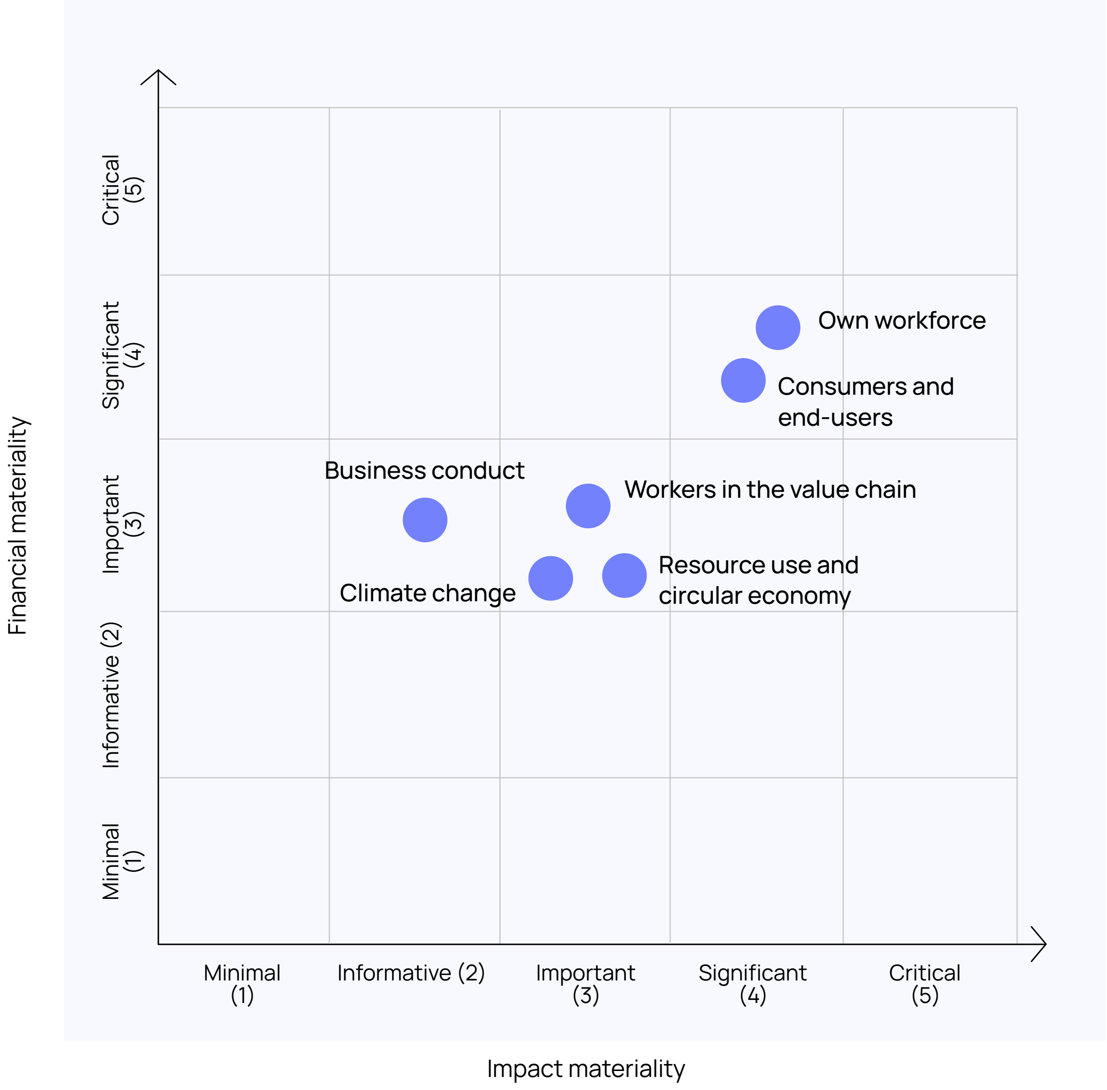
Both investors and customers have become increasingly active in areas relating to sustainable development. Taking stakeholders' interests and views into account is a key element of Digia's strategic planning and business development. Digia responds to changes in its stakeholders' needs and expectations by continually developing its operations and prioritising actions that will support both the company's own business and its collaboration with stakeholders.

Management engages in continuous dialogue with customers and other stakeholders through regular discussions, meetings, and by fostering partnerships via various channels. The Audit Committee receives biannual reports on developments in stakeholder-related risks, and sustainability risks are monitored during the Group's Management Team meetings.

Alongside, there is an overview of Digia's key stakeholders and stakeholder engagement.

Stakeholder	Engagement	Purpose, and how the outcome is taken into account
Customers	Close cooperation in product and service development and project work, and continuous cooperation during maintenance and development Continuous dialogue through sales, marketing and customer service teams Listening to customers with the aid of interviews, surveys and assessments in addition to continuous dialogue	The further development of services, products and the customer experience Secure systems and services Taking energy efficiency into consideration during implementation Helping customers to solve sustainability challenges
Personnel	Cooperation between supervisors, and discussions based on cultural and leadership principles Target and development discussions, and agreeing on learning objectives Employee feedback from regular personnel surveys Early intervention model and communications about wellbeing and mental health challenges Tribal activities, meetings, training and regular staff events Models for codetermination activities and health and safety organisations	Healthy, skilled and diverse personnel are Digia's most important resource Digia wants to provide its employees with a community in which the value of their competence increases through on-the-job learning A principle of lifelong learning will guarantee the best results for Digia's customers through expertise Skilled and motivated personnel will ensure the success of Digia's business operations Digia has renumeration models that support success
Investors	Regular dialogue with shareholders and the investor community. Regular reports, publications and news Investor meetings and events Surveys for collecting feedback	Open communications aim to increase shareholder value and ensure that current and potential investors receive accurate information about the company
Educational institutions	Close cooperation, particularly with educational institutions in the ICT sector Cooperation on training (including retraining and qualification upgrades), internships, excursions Student theses Participating in events and other activities	Sharing expertise to promote the digitalisation of society Increasing competence at Digia through research activities Strengthening Digia's employer image and attracting future talent
Technology partners	Active participation in technology partners' programmes, training and events Collaboration programmes Regular meetings and workshops with partners	Following technology trends and embracing new technologies • Continuous competence development • Networking and cooperation to enhance customer value. • Identifying new business opportunities
Subcontractors and other suppliers	Maintaining, expanding and developing the Digia Hub subcontractor network Committing to Digia's Supplier Code of Conduct. Annual surveys for Digia's subcontractors and selected suppliers Audits of selected suppliers (as necessary)	Subcontractors and freelance developers enable project scalability Responsible supply chains and customer deliveries Managing sustainability risks throughout the supply chain
Organisations and communities	Active cooperation with selected partners Data collection Participation in training and collaboration programmes	Collecting reliable and up-to-date information Competence development and sharing best practices Building sustainable partnerships that will help Digia to achieve common goals and create new opportunities

Materiality matrix



Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

Six out of the ten sustainability themes mentioned in the directive also emerged as material themes in Digia's double materiality assessment: climate change, resource use and circular economy, own workforce, workers in the value chain, consumers and end-users, and business conduct.

During the current reporting period, Digia did not identify any significant financial impacts relating to material risks or opportunities. There were no changes in the most significant impacts, risks or opportunities in comparison to the previous reporting period. When Digia's financial risks are taken into consideration, no significant changes in the company's financial performance, cash flows or financial position have been observed, and none are expected in the short term. Digia has no planned investments or divestments associated with the afore-mentioned. Customer demand and needs determine the realization of economic opportunities and the resulting environmental impacts in the short, medium, and long term.

Digia has not identified any business risks or opportunities that would not be covered by the ESRS disclosure requirements. More information about material impacts, risks and opportunities, including their connection to Digia's strategy and business model, can be found in the topic-specific sections.

The following table describes Digia's most significant impacts, risks and opportunities on the basis of the double materiality assessment:

Topic	Value chain	Pos/Neg impact or risk/opportunity	Time frame	Grounds
E1 Climate change mitigation	Upstream, own operations and downstream	Positive and negative impacts, and a business opportunity	Short, medium and long	Digia's own operations and procurement generate emissions. However, Digia can significantly improve its customers' energy and carbon dioxide efficiency through a variety of IT solutions, which will play a key role in reducing our society's emissions.
E1 Energy	Upstream, own operations and downstream	Negative impacts and a business opportunity	Short, medium and long	The highest emissions from Digia's operations and value chain arise from energy consumption. Digia provides IT solutions that help its customers to improve their own energy efficiency. On the other hand, the data used in these IT solutions consumes energy and generates emissions.
E5 Resource use and circular economy	Downstream	A business opportunity	Medium and long	Customers need to reduce their resource usage, and the green transition will create business opportunities for solutions that harness green coding and the circular economy.
S1 Working conditions	Own operations	Positive and negative impacts, and a business risk	Short and medium	Digia is heavily dependent on its experts, which underlines the importance of employee wellbeing, workload management and flexible working hours.
S1 Equal opportunities and opportunities for all	Own operations	Positive and negative impacts, and a business risk	Short, medium and long	A diverse and continually evolving range of talented, permanent employees is a prerequisite for business development and has a positive impact on customers.
S2 Working conditions	Upstream	Negative impacts, and both a business opportunity and risk	Short and medium	The Digia Hub subcontracting network is an integral part of Digia's operating model. As subcontractors are not directly employed by the company, Digia may not always receive accurate information about their working conditions. Some of Digia's subcontractors also operate all across Europe.
S4 Privacy	Downstream	Positive and negative impacts, and a business risk	Short, medium and long	Digia's security policies follow ISO 27001 operating principles, and some of its businesses and locations are ISO 27001 certified. However, data protection and security risks may still be realised. The company promotes responsible data use through e.g. data protection and security assessments, personnel training, and cybersecurity analyses.
S4 Data security	Downstream	Negative impacts, and both a business risk and opportunity	Short, medium and long	Data security and GDPR-compliant data protection must be kept at a very high level, as data security breaches pose major risks for Digia.
S4 Social inclusion	Downstream	Positive and negative impacts, and a business opportunity	Short, medium and long	User-friendly services and accessibility are two cornerstones in the planning of Digia's platforms and solutions, particularly in public-sector projects. Similar requirements are also expected to increase in the private sector. A rise in the number of digital services could potentially increase inequality if services are not accessible and easy to use. Digital solutions can also create digital stress for users and affect their personal health.
G1 Business conduct	Upstream, own operations and downstream	Negative impacts, and both a business risk and opportunity	Short, medium and long	Digia operates in regions in which negative impacts on business practices are comparatively low on a global scale. The company is considered to be a reliable business partner. Fulfilling regulatory requirements can be a potential risk factor and requires investments. However, sustainability and reliability can also constitute a competitive edge and generate new business opportunities.

Managing impacts, risks and opportunities

Description of the processes to identify and assess material impacts, risks and opportunities (IRO-1)

Digia conducted its double materiality assessment in 2023, and refined it in 2024 with regard to material sustainability impacts. The assessment identified the most significant sustainability themes for Digia's business, taking the entire value chain into account. It covered the company's own operations, as well as all upstream and downstream operations from direct and indirect suppliers to customers and solution end-users. The assessment was based on the EU Sustainability Reporting Directive *(CSRD)* and the European Sustainability Reporting Standards *(ESRS)*. It determined the themes on which Digia's business has significant positive and/or negative impacts and the themes that create the most significant business risks and/or opportunities for Digia. The assessment was carried out in collaboration with an expert partner.

The list of sustainability issues covered in the ESRS Application Requirements *(ESRS 1 AR 16)* was utilised both in the assessment and to draw up an initial list of material topics. The process utilised existing data on Digia's sustainability themes, as well as plans and external sources of information about typical sustainability themes within the sector. This stakeholder-related background material included customer interviews, online customer surveys, a reputation survey and an employer image survey. The company was able to use this preliminary list to form hypotheses on potentially material topics. These hypotheses served as the basis for a more accurate impact assessment that identified Digia's actual and potential impacts. The assessment was performed separately for impacts and financial materiality.

Impacts were assessed on the basis of a scoring system in which each topic was individually assessed in terms of its scale, scope, remediation and probability. Risks, dependencies and opportunities were scored on the basis of their financial significance and probability. All topics were analysed from the perspective of their impacts and financial significance, with particular attention being paid to the relationships between them. As part of the assessment, Digia considered which section of the value chain has the greatest impact and over what time frame. The value chain was separated into upstream and downstream, and Digia's own operations. The time frame was divided into short-, medium- and long-term. Probability was assessed on a scale of one to five. Some of Digia's internal experts also took part in the assessment, for example, via interviews and workshops. Digia's Management Team was also actively involved throughout the assessment process, and the Board of Directors' Audit Committee discussed topic definitions. Surveys and interviews were used to take external stakeholders' views into consideration. A financial institution was also interviewed to gain insights into its views on important sustainability themes.

Digia's double materiality assessment was carried out at a sub-theme level. At sub-sub-theme level, topics were aggregated when they were of a similar nature, had impacts on the same stakeholders, or received the same score. In S1 categories, for example, aggregations were made for impacts on the company's own workforce. Prioritisation assessed the probability and scope of impacts, risks or opportunities. During the assessment, Digia noted that the material impacts of upstream operations only cover direct suppliers, while downstream operations include customers and solution end-users.

Topics with a score above a predetermined threshold were defined as material. This threshold was defined as topics with a score of moderate or higher. On this basis, there are a total of ten material topics, which can be found in section *SBM-3* of this Sustainability Statement. On the basis of preparatory work carried out by the Management Team, the Audit Committee assessment.

Digia reviews its materiality assessment at least once per strategy period and, if necessary, also at more frequent intervals if there are significant changes in the company's operating environment or business. Digia's current strategy period covers the calendar years 2023–2025, and the process has not changed during this time. The company will also monitor changes in legislation and market practices in case any updates are required.

The management of sustainability risks is an integral part of Digia's risk management process and management model. The key themes identified in the double materiality assessment have been included in current risk management and are handled in accordance with normal risk management processes. Impacts and opportunities are addressed in each business area, and also by the senior executive in charge of the function in question. They are assessed and prioritised as part of the annual calendar. Sustainability and a sustainable business model are key elements in Digia's strategy and approach. Digia revises its strategy and priorities for each strategy period, and thereby also the impacts and opportunities associated with sustainability topics.

Disclosure requirements in ESRS covered by the undertaking's sustainability statement (IRO-2)

A list of reported disclosure requirements and a list of data points based on other EU legislation are presented on pages 66–68 of this Sustainability Statement. More information about the materiality assessment can be found in Disclosure Requirement *IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities*.

Policies adopted to manage material sustainability matters (MDR-P)

The key policies that Digia has introduced to manage sustainability topics are described below. The content, scope and application of Digia's operating principles are discussed in more detail in the topic-specific sections.

Topic-specific standard	Key public principles and policies	Key internal principles and policies
E1 Climate change	Environmental policy Code of Conduct and Supplier Code of Conduct	Sustainable Supplier programme
E5 Resource use and circular economy	Environmental policy Code of Conduct	Circular economy practices: lease and purchase of IT equipment, lease and purchase of fixtures Green Code Manual
S1 Own workforce	Code of Conduct Human rights commitment Cultural principles	Equality and non-discrimination plan Early intervention model Salary and remuneration manual Guidelines on inappropriate behaviour Hybrid work model Leadership principles
S2 Workers in the value chain	Supplier Code of Conduct Human rights commitment	Sustainable Supplier programme
S4 Consumers and end-users	Code of Conduct Ethical principles for using artificial intelligence Human rights commitment	AI policy Digital security: information security and data protection policies ISO 27001 Information security management system ISO 9001 quality management system
G1 Business conduct	Code of Conduct Anti-corruption and anti-bribery policy Disclosure policy Remuneration policy Cultural principles	Corporate Governance Guidance

Metrics and objectives

Actions and resources in relation to material sustainability matters (MDR-A)

Actions and resources related to material sustainability matters are described in more detail in the topic-specific sections.

Metrics in relation to material sustainability matters (MDR-M)

A list of the reported disclosure requirements can be found on pages 63–65 of this Sustainability Statement. More detailed information about metrics for material sustainability topics can be found in the topic-specific sections.

Tracking effectiveness of policies and actions through targets (MDR-T)

Digia's sustainable business model and responsible way of working are integral to the company's strategy and instrumental to its business success. Digia updated its sustainability programme and objectives for the 2023–2025 strategy period.

Digia's focus areas and objectives in corporate responsibility are based on the company's strategic policies, the expectations of key stakeholders, the characteristics of the ICT sector and business environment, the impacts of the company's operations, and the objectives of the UN's Sustainable Development Goals and Global Compact.

The main focus areas of Digia's corporate responsibility have not changed during the current strategy period, and the company considers the green transition and the solving of sustainability challenges to be business opportunities. Digital solutions have the potential to significantly contribute to solving sustainability challenges in other fields of business. During the strategy period, Digia is ambitiously seeking to do even better in all subareas of responsibility (E, S and G).

Digia develops targets and their monitoring in collaboration with its subsidiaries, aiming for a unified monitoring model for the entire Group, which is particularly important for the company growing through acquisitions.

The focus areas, objectives and key metrics for Digia's sustainability in the 2023–2025 strategy period are described in the table below. The objectives and their definitions are discussed in more detail in the topic-specific sections.

Sustainability objectives for Digia's 2023–2025 strategy period

Topic	Objective	Key indicator	Target level, 2025	2023[1]	2024	Location in Sustainability Statement
Environment (E)	We are reducing our carbon footprint	CO_2 emissions from the entire value chain	60% reduction in CO_2 emissions compared to 2019	–36%[2]	–40%[2]	41–42
People (S)	Healthy, diverse and skilled personnel	Employee Net Promoter Score (eNPS)	eNPS +35% compared to 2022	+25%[3]	+60%[3]	52
	Increased diversity at a number of organisational levels	Proportion of women in executive roles	25%	16%	16%	52–53
	Digia leaves a responsible mental footprint	Absences related to mental health	Fewer than 1.0 days of absence per person per year	1.3	1.3	53
	We provide opportunities for lifelong learning	Percentage of employees for whom a learning target has been set	A learning target has been set for 75% of personnel	54%	52%	53
Reliable partner (G)	A visionary, reliable and secure partner	Net Promoter Score (NPS)	NPS +25% compared to 2022	+23%[3]	+18%[3]	60
	Entire organisation has adopted ethical ways of working	Percentage of employees who have completed annual Code of Conduct training	90% of Digia employees had completed annual Code of Conduct training	84%[4]	84%[4]	62
	Digia's subcontractors are committed to Digia's Code of Conduct	Percentage of subcontractors who are committed to Digia's Supplier Code of Conduct	100% of subcontractors are committed to Digia's Supplier Code of Conduct	80%	89%	57
	Safe partner	Percentage of employees who have completed annual security training	90% of Digia employees had completed security training	95%[3]	94%[3]	60

[1] 2023 data has not been verified

[2] Digia's emissions reduction plan and target have been drafted on the basis of the situation and scope defined in 2019.

[3] Finnish companies

[4] The figure does not include Top of Minds

ESG

• Environment

EU Taxonomy

The European Green Deal is a European growth strategy aimed at improving the health and wellbeing of all citizens, making Europe climate-neutral by 2050, and protecting, conserving and enhancing the EU's natural capital and biodiversity. The Taxonomy Regulation (EU 2020/852) seeks to define standardised, science-based assessment criteria for environmentally sustainable economic activities. Advances in digitalisation, technology and energy efficiency will play a major role in achieving this goal. The information and communication sector is constantly growing – and so, too, is its share of greenhouse gas emissions. At the same time, information and communications technology has the potential to contribute to the mitigation of climate change and reduce greenhouse gas emissions in other sectors, such as by providing solutions to facilitate decision-making and thereby enable the reduction of greenhouse gas emissions or other positive actions to mitigate climate change and its impacts.

Taxonomy eligibility in 2024

Digia's field of business is to develop IT solutions and engage in related projects, maintenance and consulting. Digia has identified taxonomy-eligible activities on the basis of technical descriptions. With regard to climate change mitigation, Digia's operations are categorised as Activity 8.2 (*Data-driven solutions for GHG emissions reductions*) and Activity 8.1 (*Data processing, hosting and related activities*). In addition, the activities fall under category 4.1 ("Provision of data-driven IT/OT solutions and software") in relation to the transition to a circular economy, as well as under category 4.1 ("Provision of data-driven IT/OT solutions and software") concerning the sustainable use and protection of water and marine resources. Digia's activities also contribute to activity 8.4 ("Software enabling the management of physical climate risks and adaptation to them").

Digia reports taxonomy-eligible net sales and expenses as climate change mitigation under Activity 8.1 (*Data processing, hosting and related activities*) and Activity 8.2 (*Data-driven solutions for GHG emissions reductions*). However, for projects implemented in 2024, Digia does not report net sales for category 8.2.

Digia's assessment did not identify any taxonomy-eligible activities for other environmental objectives.

Taxonomy-alignment in 2024

Digia has assessed its taxonomy-eligible activities on the basis of technical criteria. The assessment was carried out, by combining data from the supply chain with offering data. It verified that suppliers met the technical criteria and there was no significant harm done to other climate targets *(Does Not Significant Harm, DNSH)*.

The substantial contribution criteria for Activity 8.1 *(Data processing, hosting and related activities)* was assessed on the basis of material generated by supplier management. The datacentres used by Digia have signed the Climate Neutral Data Centre Pact, which meets the substantial contribution criterion "The activity has implemented all relevant practices listed as 'expected practices' in the most recent version of the European Code of Conduct on Data Centre Energy Efficiency". The datacentres also ensured that the Global warming potential (GWP) of refrigerants used in their cooling systems was a maximum of 675.

The substantial contribution criteria for Activity 8.2 *(Data-driven solutions for GHG emissions reductions)* were assessed on a project-by-project basis. The substantial contribution criteria were met if the project resulted in a solution that enabled a significant and demonstrable reduction in the customer's GHG emissions and there was no alternative solution or technology on the market. Digia does not report taxonomy-eligible net sales for Activity 8.2 due to its annual variability.

DNSH criteria apply to both activities. For climate change adaptation, they were assessed using a climate risk and vulnerability assessment with an assumed life span of more than ten years. This risk and vulnerability assessment included an assessment of the economic impacts of physical climate risks and an adaptation plan for significant risks. The risk assessments were based on a report by the IPCC AR (AR6 Synthesis Report: Climate Change 2023). The scenarios used were level SSP1-2.6 for an optimistic assessment and level SSP5-8.5 for a pessimistic assessment. No significant risks were identified for either activity. The DNSH criteria for the transition to a circular economy were analysed by ensuring that datacentre equipment and its lifecycle management processes meet the requirements of Directives 2009/125/EC, 2011/65/EU and 2012/19/EU.

The DNSH criterion 'Sustainable use and protection of water and marine resources' for Activity 8.1 *(Data processing, hosting and related activities)* was verified by proving that, on the basis of the datacentre's location and year of completion, its construction must have complied with an environmental permit procedure in which the impacts on water resources had been assessed.

All of Digia's business activities meet the minimum safeguards. The implementation of minimum safeguards was assessed on the basis of documentation and its practical application. The assessment verified compliance with ethical guidelines and OECD, UN and ILO guidelines. This verification covered the codes of conduct for both suppliers and Digia's own workforce; quality, environmental and information security systems; risk management guidelines, cultural principles and the salary and remuneration manual; and guidelines for compliance, equality and non-discrimination.

Due to the nature of its business operations, Digia estimates that the size of its taxonomy-aligned operations may vary significantly from year to year due to reasons such as variations in the demand for climate change-related, customer-specific solutions and changes in the supply chain.

Turnover KPI

The denominator of the turnover KPI (the key performance indicator for net sales) covers Digia's total turnover, which is recognised in line with IFRS 15 (Note 3.2 to the Financial Statements). The numerator of the turnover KPI is the turnover from products or services related to taxonomy-eligible or taxonomy-aligned economic activities, including intangible assets, presented by taxonomy class. The table lists the turnover of activities classified under taxonomy Activity 8.1 based on analyses. Turnover from Activity 8.1 (*Data processing, hosting and related activities*) amounts to EUR 51,6 million which is 25,10 per cent of total turnover, comprising the taxonomy-aligned turnover. The key figure related to revenue is extracted on an accrual basis, and each transaction has only one taxonomy classification, which eliminates the risk of double counting.

OpEx KPI

The denominator of the OpEx KPI (key performance indicator for operational expenses) includes direct non-capitalised expenses related to R&D; expenses related to building renovations, short-term leases, maintenance and repairs; and other direct costs related to the daily maintenance of tangible assets.

The relevant cost items for Digia in the denominator can be found in Note 3.7 to the Financial Statements. These cost items are of the nature of research and development expenses, amounting to EUR 3.8 million (EUR 4.8 million) for the year 2024.

With the new guidelines, Digia also refined its calculation method for this year. Due to the nature of the business and results of the review, it is noted that the company has not identified taxonomy-aligned or taxonomy-eligible operational expenses for the indicator.

CapEx KPI

The denominator of the CapEx KPI (key performance indicator for gross capital expenditure) covers increases in tangible and intangible assets during the fiscal year before depreciation, amortisation and revaluation. These details can be found in Notes 7.1 and 7.2 to the Financial Statements. The denominator also covers increases in right-of-use asset items in leases under IFRS 16, which are detailed in Note 7.4 to the Financial Statements.

Taxonomy-aligned capital expenditure in the reporting year, MEUR	0.5
of which intangible assets	0
of which property, plant and equipment	0
of which leased assets	0.5

With the new guidelines, Digia reviewed its calculation method related to capital expenditures. The key figure for capital expenditures covers the share of electric vehicles in right-of-use assets. This figure is EUR 0.5 million (EUR 0.4 million) and represents 12.3 per cent (2.7%) of total investments. Total investments amount to EUR 4.2 million (EUR 14.4 million) in 2024. The key figure for capital expenditures is obtained directly from supplier data, which eliminates the risk of double counting.

Net sales

2024 financial year	2024			Substantial contribution criteria						DNSH criteria (DNSH: Does Not Significantly Harm)									
Economic activities (1)	Code, 2024 (a) (2)	Net sales, 2024 (3)	Proportion of net sales, 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of taxonomy-aligned (A.1) or taxonomy-eligible (A.2.) net sales, 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		MEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Mitigation 8.1 Data processing, hosting and related activities	CCM 8.1	51.6	25.10%	**Y**	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	N/EL	Y	N/EL	Y	99.22%		T
Mitigation 8.2 Data-driven solutions for GHG emissions reductions	CCM 8.2	–	– %	**Y**	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	Y	N/EL	N/EL	Y	N/EL	Y	0.78%	E	
Net sales of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**51.6**	**25.10%**	**25.10%**	0%	0%	0%	0%	0%	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**100.00%**		
Of which enabling		–	– %	0%	0%	0%	0%	0%	0%	N/EL	Y	N/EL	N/EL	Y	N/EL	Y	0.78%	E	
Of which transitional		**51.6**	25.10%	25.10%						N/EL	Y	Y	N/EL	Y	N/EL	Y	99.22%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				KEL; E/KEL (f)	KEL; E/KEL (f)	KEL; E/KEL (f)	KEL; E/KEL (f)	KEL; E/KEL (f)	KEL; E/KEL (f)										
Net sales of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		12.4	**6.03%**	10%	0%	0%	0%	0%	0%								0%		
A. Net sales of Taxonomy-eligible activities (A.1+A.2)		64.0	31.13%	50%	0%	0%	0%	0%	0%								100.00%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Net sales of Taxonomy-non-eligible activities		141.6	68.87%																
TOTAL		205.7	**100%**																

Y – Yes, a Taxonomy-eligible and Taxonomy-aligned activity for the environmental objective in question

N – No, a Taxonomy-eligible but not Taxonomy-aligned activity for the environmental objective in question

N/EL – Not applicable, a Taxonomy-non-eligible activity for the environmental objective in question

Operating expenses

2024 financial year	2024			Substantial contribution criteria						DNSH criteria (DNSH: Does Not Significantly Harm)									
Economic activities (1)	Code (a) (2)	Operating expenses (3)	Proportion of operating expenses, 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of taxonomy-aligned (A.1) or taxonomy-eligible (A.2.) operating expenses, 2023 (18)*	Category enabling activity (19)	Category transitional activity (20)
		MEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Mitigation 8.1 Data processing, hosting and related activities	CCM 8.1	–	– %	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	N/EL	Y	N/EL	Y	–%		T
Mitigation 8.2 Data-driven solutions for GHG emissions reductions	CCM 8.2	–	– %	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	Y	N/EL	N/EL	Y	N/EL	Y	–%	E	
Operating expenses of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**–**	**– %**	**0%**	0%	0%	0%	0%	0%	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**–%**		
Of which enabling		**–**	– %	0%	0%	0%	0%	0%	0%	N/EL	Y	N/EL	N/EL	Y	N/EL	Y	–%	E	
Of which transitional		**–**	– %	0%	%					N/EL	Y	Y	N/EL	Y	N/EL	Y	–%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
Operating expenses of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		–	– %	0%	0%	0%	0%	0%	0%								–%		
A. Operating expenses of Taxonomy-eligible activities (A.1+A.2)		–	**– %**	0%	0%	0%	0%	0%	0%								–%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Operating expenses of Taxonomy-non-eligible activities		3.8	100%																
TOTAL		3.8	**100%**																

* Figure adjusted to match the updated 2023 calculation mode

Y – Yes, a Taxonomy-eligible and Taxonomy-aligned activity for the environmental objective in question

N – No, a Taxonomy-eligible but not Taxonomy-aligned activity for the environmental objective in question

N/EL – Not applicable, a Taxonomy-non-eligible activity for the environmental objective in question

Gross capital expenditure

2024 financial year	2024			Substantial contribution criteria						DNSH criteria (DNSH: Does Not Significantly Harm)									
Economic activities (1)	Code (a) (2)	Capital expenditure (3)	Proportion of capital expenditure, 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of taxonomy-aligned (A.1) or taxonomy-eligible (A.2.) capital expenditure, 2023 (18)*	Category enabling activity (19)	Category transitional activity (20)
		MEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Mitigation 6.5 Transport by motorbikes, passenger cars and light commercial vehicles	CCM 8.1	0.5	12.36%	N/EL	**Y**	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	N/EL	Y	N/EL	Y	2.8%		T
Capital expenditure of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.5**	**12.36%**	**12%**	0%	0%	0%	0%	0%	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**2.8%**		
Of which enabling		–	– %	0%	0%	0%	0%	0%	0%	N/EL	Y	N/EL	N/EL	Y	N/EL	Y	–%	E	
Of which transitional		**0.5**	12.36%	12%	%					N/EL	Y	Y	N/EL	Y	N/EL	Y	2.8%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
Capital expenditure of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		–	– %	0%	0%	0%	0%	0%	0%								0.0%		
A. Capital expenditure of Taxonomy-eligible activities (A.1+A.2)		0.5	12.43%	12%	0%	0%	0%	0%	0%								100%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Capital expenditure of Taxonomy-non-eligible activities		3.7	87.64%																
TOTAL		4.2	**100%**																

* Figure adjusted to match the updated 2023 calculation model

Y – Yes, a Taxonomy-eligible and Taxonomy-aligned activity for the environmental objective in question

N – No, a Taxonomy-eligible but not Taxonomy-aligned activity for the environmental objective in question

N/EL – Not applicable, a Taxonomy-non-eligible activity for the environmental objective in question

Template 1: Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

E1 – Climate change

Integration of sustainability-related performance in incentive schemes (GOV-3)

Both Digia's long-term share-based incentive scheme for 2023–25 and its short-term target bonus scheme for 2024 include a sustainability target, which has a weighting of ten per cent in each scheme. The CO_2 emission reduction component of the sustainability target has a weighting of 20 per cent. The emission reduction targets for the strategy period are covered in more detail in Disclosure Requirement *E1-4 Targets related to climate change mitigation and adaptation.*

Digia's sustainability-related remuneration is described in more detail in this Sustainability Statement General Disclosures under Disclosure Requirement *GOV-3 Integration of sustainability-related performance in incentive schemes.*

Transition plan for climate change mitigation (E1-1)

Digia set climate targets in conjunction with the publication of its strategy for 2023–2025: by 2025, Digia will reduce the entire value chain's CO_2 emissions by 60 per cent (compared to the 2019 baseline). However, the alignment of the strategy period's emissions reduction target with the Paris Agreement has not been separately verified.

Digia joined the Science Based Targets initiative in 2024 and will define its science-based climate targets during 2025. The baseline for the updated climate targets will be Digia's 2023 carbon footprint calculation. A more detailed transition plan for climate change adaptation will also be drawn up during 2025 in conjunction with the setting of science-based targets, and this will be reported on in the 2025 Sustainability Statement.

Due to the nature of Digia's business, the company has not identified any risk of potential locked-in GHG emissions in its operations. Digia is not excluded from the EU's Paris-aligned Benchmarks.

Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

Based on its double materiality assessment, Digia has not identified any significant business risks related to climate change. Climate change may pose a physical risk in the form of disruptions to global supply chains that may impact the availability of IT equipment. The company did not, therefore, consider it necessary to conduct a more detailed resilience or scenario analysis.

Description of the processes to identify and assess material climate-related impacts, risks and opportunities (IRO-1)

Digia has identified climate-related impacts, risks and opportunities as part of its double materiality assessment. This process is described in more detail in the Sustainability Statement General Disclosures under Disclosure Requirement *IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities.*

With respect to climate change, Digia's material impacts, risks and opportunities concern climate change mitigation and energy. Digia's operations have negative impacts on climate change mitigation, because its own business and procurement generate emissions, as the data used to implement IT solutions consumes energy.

Digia's solutions can help to significantly improve its customers' energy efficiency and reduce their carbon emissions. Helping customers to reduce their emissions with the aid of IT solutions creates both positive impacts and business opportunities related to climate change.

Digia has not identified any significant business risks related to climate change. The company has identified a physical risk: as a result of climate change, global supply chains may be impacted by disruptions that could affect the availability of IT equipment. The assessment considered the resulting business risk to be very low for Digia.

Policies related to climate change mitigation and adaptation (E1-2)

Digia's environmental policy is the company's most important policy for climate change mitigation and adaptation. This policy helps to ensure that the environment is taken into account in all of the company's operations, and thereby supports the achievement and fulfilment of environmental targets and requirements. The environmental policy sets out Digia's policies on climate change mitigation, energy efficiency and the transition to renewable energy. The company's own operations, including travel and procurement, are conducted in an energy- and material-efficient manner that generates the lowest possible emissions. Digia uses renewable energy whenever possible.

The company's environmental policy is based on compliance with national legislation and the UN's Sustainable Development Goals, as well as on the active monitoring and development of recommendations and practices applicable to the industry in which Digia operates. The environmental policy applies to the entire Group and has been approved by Digia's Management Team. Its implementation is the responsibility of the Head of Sustainability and the sustainability team, and it is their task to steer and develop operative measures in collaboration with financial, legal and business units. Digia's Management Team is responsible for supervising the policy. Digia's environmental policy is publicly available on the company's website.

The environmental policy is supported by Digia's Code of Conduct, which encourages environmentally friendly solutions both in business operations and the workplace environment, and expects contractors and partners to do the same. The Code of Conduct is described in more detail in Disclosure Requirement *G1-1 Corporate culture and business conduct policies.* Digia's ethical guidelines for its supply chain are contained in its Supplier Code of Conduct and Sustainable Supplier programme, which are covered in more detail in Disclosure Requirement *S2-1 Policies related to value chain workers.*

Actions and resources in relation to climate change policies (E1-3)

In accordance with Digia's environmental policy, the company aims for its own operations (including travel and procurement) to be conducted in an energy- and material-efficient manner that generates the lowest possible emissions. Digia uses renewable energy whenever possible. The action that Digia takes to mitigate climate change is detailed below. These actions and their actual impacts will be updated during 2025 as the company prepares its transition plan.

Vehicles

Digia's company car benefit is a discretionary benefit that may be given to employees who need a vehicle for their job or otherwise. The cars are owned by a leasing or financing company. In accordance with Digia's vehicle policy, the company favours low-emission vehicles and sets a maximum emission limit for acquired vehicles on an annual basis.

Purchased energy

Digia aims to use zero-emission or renewable energy in its premises. As Digia leases its premises, the company is largely dependent on its landlords' efforts to transition to zero-emission or renewable energy.

At the end of 2024, Digia operated out of 11 locations in Finland, three permanent in Sweden and one in the Netherlands. In 2024, Digia decided to make changes in Helsinki: the company will reduce the size of its current headquarters, give up its lease on another set of smaller premises in Helsinki and move into new premises in central Helsinki in early 2025. In addition to being smaller in size, the new premises will use carbon-neutral electricity. The combined effect will have a significant positive impact on reducing the carbon footprint of Digia's own operations. According to Digia's assessment, this change will result in an around 50 per cent reduction in emissions from business premises in Helsinki, which equates to a reduction of approximately 138 tCO_2eq.

The need for changes at other locations will be examined when existing leases are nearing their end. Digia actively seeks to influence its landlords, so as to ensure the use of zero-emission energy (electricity, heating and cooling) on its premises. Thanks to an increase in hybrid work, the company has already been able to reduce the size of its premises and renovate the remainder to better serve the requirements of hybrid work and creating a sense of community.

Purchased goods and services

In order to reduce emissions from procurement, Digia is developing its supplier management to enable the collection of primary emissions data from suppliers. The company's goal is to maintain active dialogue with its major suppliers in order to ensure that they are committed to reducing emissions in their own operations. At the same time, Digia is seeking other opportunities to reduce emissions through either a reduction in purchases or changes in suppliers.

To support supplier management, Digia has developed a Supplier Code of Conduct that is based on its own Code of Conduct and includes an environmental perspective. Subcontractors are contractually obliged to adhere to the Supplier Code of Conduct, and the company's goal is to extend the code to all procurements throughout Digia's value chain. Further information about subcontracting and supply chain management is available in this Sustainability Statement in section *S2 Workers in the value chain*.

Capital goods and upstream leased assets

For IT equipment and phones, Digia aims to ensure that devices are properly recycled after the leasing period, so that either the equipment itself or its raw materials are reused. More information is available in this Sustainability Statement in section *E5 – Resource use and circular economy*.

Fuel and energy-related activities

Digia's indirect energy-related emissions will decrease as the company transitions to broader use of zero-emission or renewable energy at its premises. The electrification of the company's leasing fleet will also reduce indirect emissions related to fuel.

Business travel and employee commuting

Digia personnel are encouraged to favour public transport and avoid unnecessary travel. Emissions from commuting have decreased in tandem with the rising popularity of remote work. When selecting new premises, Digia also aims to ensure that its locations are easily accessible by public transport. The company also offers company bicycles as personnel benefits.

The aforementioned actions do not require significant operating or capital expenditure, and the company's ability to implement such actions is not therefore dependent on the availability and allocation of resources.

Targets related to climate change mitigation and adaptation (E1-4)

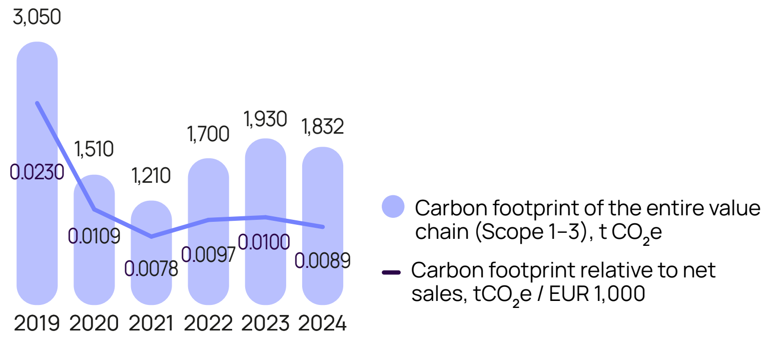
All operators must reduce their emissions in order to mitigate climate change. Many of Digia's stakeholders, such as customers and investors, also expect the company to commit to climate action and emission reductions.

The goal for Digia's 2023–2025 strategy period is to reduce CO_2 emissions (Scope 1–3) by 60 per cent by 2025 (compared to the 2019 baseline). The progress towards the target is monitored on an annual basis, and individual actions are implemented continuously throughout the year. The target has been pursued systematically, with the largest reduction planned to be achieved in the final year. However, the alignment of the strategy period's emission reduction target with the Paris Agreement has not been separately verified. The target setting process involved Digia's internal stakeholders.

In 2019, Digia's carbon footprint was 3,055 tCO_2eq. It covered the Scope 1 and Scope 2 emissions of the company's then-current Finnish operations, as well as selected procurements and other Scope 3 emissions. Scope 2 was calculated using the market-based method and scope 3 emissions accounted for approximately 89 per cent of total emissions in 2019. The baseline year for the target was chosen as 2019 because it was Digia's first year of CO_2 calculations, and its emissions reflected typical operational activities within the chosen scope. Since then, Digia has expanded through, among other things, acquisitions.

In order to align its targets, Digia has used two parallel boundaries for calculating its carbon emissions. The first boundary is based on that of the 2019 calculation, while the second boundary has expanded the calculation to cover all of Digia's locations and all material procurements at Group level. In Disclosure Requirement *E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions*, the reported emissions are based on the broader calculation boundary.

Digia's carbon footprint 2019-2024 (2019 limit)



Decarbonisation methods are described in Disclosure Requirement *E1-3 Actions and resources in relation to climate change policies.* These actions and their actual impacts will be updated during 2025 as the company prepares its transition plan.

Digia's carbon footprint, 2019–2024, using the 2019 calculation boundary

Carbon footprint indicators	2019	2020	2021	2022	2023	2024	Unit
Carbon footprint of own operations (Scope 1–2)	337	343	386	353	376	322	tCO_2eq
Carbon footprint of the entire value chain (Scope 1–3)	3,055	1,511	1,214	1,703	1,944	1,832	tCO_2eq
Change on 2019		-51%	-60%	-44%	-36%	-40%	
Total value chain emissions in relation to net sales	0.0230	0.0109	0.0078	0.0097	0.0100	0.0089	tCO_2eq/EUR 1,000
Total value chain emissions per employee	2.6	1.1	1	1.3	1.3	1.2	tCO_2eq/employee

Digia will define its science-based climate targets during 2025 on the basis of its 2023 baseline, as outlined in Disclosure Requirement *E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions.* The 2023 carbon footprint calculation covers the entire Group and includes the most material sources of emissions.

Energy consumption and mix (E1-5)

Energy consumption and mix	2023	2024
Total fossil energy consumption (MWh)	681.28	734.42
Fossil energy sources as a percentage of total energy consumption (%)	28%	29%
Total consumption of nuclear energy products (MWh)	329.31	352.03
Nuclear energy products as a percentage of total energy consumption (%)	13%	14%
Consumption of fuel from renewable sources, including biomass (and organic industrial and municipal waste, biogas, renewable hydrogen, etc.) (MWh)	480.02	423.19
Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources (MWh)	791.22	966.52
Consumption of self-generated non-fuel renewable energy (MWh)	14.01	0
Total consumption of renewable energy (MWh)	1,285.25	1,389.62
Renewable energy sources as a percentage of total energy consumption (%)	52%	56%
Total energy consumption (MWh)	2,461.62	2,465.17

Digia's energy consumption covers fuel consumption related to the company's leased cars as well as total energy consumption of the offices. The energy producer and production method have been identified by the landlords. The fuel consumption of the leased cars is non-renewable. Energy from renewable sources includes electricity for the offices and district heating and cooling. In case where information about the energy source was unavailable, the division was made based on the same principle as in Scope 1 and Scope 2 calculations, meaning the energy was allocated by default among different energy sources. Energy consumption and sources have not been verified by anyone other than the assurance provider.

Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)

Digia calculates its GHG emissions in accordance with the GHG Protocol. The emissions calculations cover Scopes 1–3 as per the GHG Protocol, and the operational control criterion has been employed. Since 2023, Digia's emissions calculations have covered the entire Group. The company has retroactively revised its 2023 emissions calculations. These changes have been described earlier in this report: see section *BP-2 Disclosures in relation to specific circumstances*. The emissions presented in this Disclosure Requirement for 2023 and 2024 have been calculated in accordance with the same boundary. Digia's scope 1–3 emissions have not been verified by anyone other than the assurance provider.

Scope 1 emissions include fuel-related emissions from leasing vehicles used by Digia in its discretionary company car benefit. 2024 emissions have been calculated using the emissions factor provided by the Department for Environment, Food and Rural Affairs.

Scope 2 emissions consist of the energy consumption (heating, cooling and electricity) of Digia's premises. In order to calculate market-based emissions, Digia has collected data from landlords concerning the total amount of energy consumed, as well as data about energy companies and their products. The emissions factors used are specific emissions factors provided by energy companies. When necessary, the district heating emissions calculations for premises in Finland have used the energy method value provided by Local Power's publicly available district heating emissions calculator. 28 per cent of market-based energy consumption is verified with guarantees of origin or renewable energy certificates. The calculation of location-based emissions used country-specific average emission factors for the energy consumed.

Digia reported Scope 3 emissions for upstream emissions in categories 1–3 and 5–8. The calculations employed both consumption-based and activity-based methods.

Consumption-based emissions factors utilised the WWF's climate calculator, DEFRA, the report "*Carbon footprint and raw material requirement of public procurement and household consumption in Finland – results from the ENVIMAT model*" (15/2019), and the Julia 2030 project's publications (Dahlbo et al. 2011). The consumption-based calculations are based on the Digia Group's Financial Statements.

For selected suppliers, Digia has also utilised the latest publicly available emissions data for that supplier, such as an annual report or sustainability statement. The emissions reported by a supplier for their entire value chain are divided by total net sales in order to obtain a supplier-specific consumption-based emissions factor. This supplier-specific, consumption-based emissions factor has primarily been calculated for those suppliers whose business is based on the production of services and who report their emissions data for Scopes 1–3 in accordance with the GHG Protocol. Digia notes that, as its information is generally based on the previous reporting period, the data is not always completely up-to-date and the company is seeking to obtain more primary emissions data from its suppliers.

In its activity-based calculations, Digia has sought to identify the most significant suppliers in its value chain and to use primary data obtained from those suppliers in its calculations. Primary data obtained from suppliers has been used in the emissions calculations for cloud and datacentre services in Category 1 (Purchased goods and services) and the collection of emissions data for phone subscriptions. For Category 2 (Capital goods) emissions, Digia has collected data on the emissions generated by the equipment it uses (laptops, docks, monitors and phones) directly from its suppliers. A consumption-based emissions factor has been used for other equipment purchases.

Category 3 emissions calculations (Fuel and energy-related activities) utilise emissions factors published by the DEFRA and IPCC, while activity-based emissions have been calculated on the basis of the amount of energy consumed and the amount of fuel in litres.

In its emissions calculations for Category 5 (Waste), Digia has utilised an estimate of municipal solid waste published by Helsinki Region Environmental Services in 2019. This publication contains an estimate of the amount of waste generated by public administration offices per kilo per person-work-year. The emissions factors used in waste calculations are taken from a 2011 study carried out as part of the Julia 2030 project.

Emissions for Category 6 (Business travel) have been calculated on an activity basis for specific modes of travel. Emissions from business-related road, rail and air journeys have been calculated using reported kilometres. DEFRA emissions factors have been used for all modes of transport except trains. VR's emissions factor for passenger traffic has been used for train travel in Finland. Other travel-related emissions have been calculated on a consumption basis.

The calculation of emissions in Category 7 (Employee commuting) are based emission factors that have been customised for Digia. Category 7 includes both emissions from Digia employees' commuting and emissions from remote work, both of which have utilised data obtained from Digia personnel via a survey.

Emissions from commuting have been estimated with the aid of surveys carried out in 2020 and 2023, which asked Digia employees about the average length of their commute and their means of travel. This data was used to calculate the average emissions from commuting, using the emission factors published by DEFRA for various modes of transport.

Emissions from remote work were based on a 2023 personnel survey that determined how often employees worked remotely or at the office. The results of this survey were used to estimate the ratio of office days to remote-work days in relation to the total number of working days per year. Emissions from remote work were calculated using DEFRA's emissions factor, which includes emissions from lighting, heating and the energy consumption of equipment.

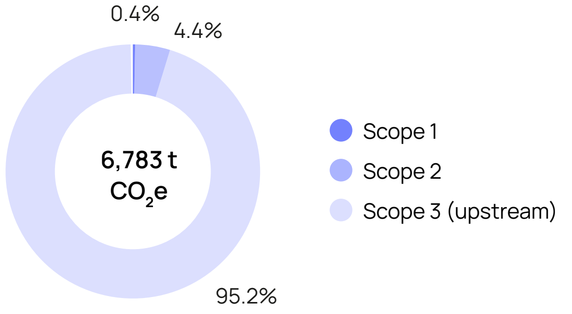
The data for emissions in Category 8 (Downstream leased assets) includes Digia's leasing phones, for which emission data has been obtained directly from the supplier.

6 per cent of Digia's Scope 3 emissions in 2024 have been calculated using primary data obtained from either the actual suppliers or other suppliers in the value chain.

The calculations omit Scope 3 emissions in Category 4 (Upstream transportation and distribution), as the company has not identified any significant emission sources in this category. Downstream categories 9–15 have also been omitted, as the company has not identified any significant downstream emissions in its operations.

Digia's emissions calculations contain its CO_2 emissions reported as carbon dioxide equivalents. The company has not identified any other types of GHGs in its calculations or any biogenic carbon dioxide emissions in its value chain.

Digia's carbon footprint 2024, in accordance with the GHG Protocol



	Retrospective			Milestones and target years*	
Digia's carbon footprint 2024	**2023**	**2024**	**Change**	**Base year***	**Annual % reduction**
Scope 1 GHG emissions					
Gross Scope 1 GHG emissions (tCO_2eq)	40.7	25.4	-38%		
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0	0			
Scope 2 GHG emissions					
Gross location-based Scope 2 GHG emissions (tCO_2eq)	289.6	232.4	-20%		
Gross market-based Scope 2 GHG emissions (tCO_2eq)	335.2	296.9	-11%		
Significant Scope 3 GHG emissions					
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)	6,078.8	6,461.0	6%		
				1,221	-8%
1 Purchased goods and services	4,047.0	4,505.2	11%		
Cloud computing and data centre services	42.7	27.2	-36%		
2 Capital goods	423.9	483.1	14%		
3 Fuel and energy-related activities (not included in Scope 1 or 2 emissions)	163.4	183.4	12%		
5 Waste generated in operations	22.7	23.2	2%		
6 Business travel	410.1	292.5	-29%		
7 Employee commuting	1,011.7	971.1	-4%		
8 Upstream leased assets		2.56	-		
Total GHG emissions					
Total GHG emissions (location-based) (tCO_2eq)	6,409.1	6,718.8	5%		
Total GHG emissions (market-based) (tCO_2eq)	6,454.8	6,783.3	5.1%		

* Based on 2019 calculation boundary and covers scope 1–3. Further details are provided in Disclosure Requirement *E1–4 Targets related to climate change and mitigation and adaptation.*

Energy intensity based on net sales

GHG intensity relative to net sales	**2023**	**2024**	**Change**
Total GHG emissions (location-based) per net sales (tCO_2eq/EUR 1,000)	0.033	0.0327	-0.9%
Total GHG emissions (market-based) per net sales (tCO_2eq/EUR 1,000)	0.034	0.033	-3%

Digia's net sales totalled EUR 205,7 million in 2024. The net sales figure used to calculate GHG intensity is given in Digia's Financial Statements in section *3.2 Net sales.*

Internal carbon pricing (E1-8)

Digia does not apply internal carbon pricing systems in its operations.

Anticipated financial effects from material physical and transition risks and potential climate-related opportunities (E1-9)

Digia has decided to omit the information specified in E1-9 from its first Sustainability Statement, as per ESRS 1 Appendix *C: List of phased-in Disclosure Requirements*.

E5 Resource use and circular economy

Description of the processes to identify and assess material impacts, risks and opportunities related to resource use and the circular economy (IRO-1)

Significant impacts, risks and opportunities associated with resource use and the circular economy were identified as part of Digia's double materiality assessment. The double materiality assessment assessed the significance of the circular economy theme with the aid of existing customer interviews and annual customer surveys. They revealed expectations for Digia's approach to the circular economy.

The assessment determined that, as an IT services company, Digia's own operations have a limited impact on the circular economy, yet the company can always favour circular economy solutions in its own operations. The company has a limited overall picture of value chain impacts, and no primary or secondary resources are used in its core business activities. For example, although Digia has an IT equipment recycling contract with a partner, the company does not have full visibility towards the end of the value chain. Digia's circular-economy procurements currently focus on the purchase of recyclable office furniture and IT equipment (such as laptops, monitors and phones) and leasing contracts for cars and bicycles.

Digia's biggest impact on the circular economy occurs through its customers. The growing pressure to reduce resource use creates business opportunities, allowing Digia to support its customers in developing resource efficiency and other business transformations. Through its data utilisation solutions, Digia can help its customers to, for example, digitise, optimise and boost the efficiency of their operations. Although demand for circular-economy services will be lower in the short term, the economic value of these solutions is expected to grow significantly over the long term.

Digia does not have a separate circular economy function. The company's business units work with their customers to identify new opportunities for solutions that will promote a circular economy. For example, Digia has recognised that the *Regulation on Deforestation Free Products (EUDR)* will impact its customers in the short term. The company therefore wants to provide its customers with solutions that will promote the circular economy, such as better monitoring tools to improve supply chain transparency and reporting solutions for sharing information.

Increased expectations with regard to Digia's own business operations may result in some additional costs in areas such as recycling and equipment lifecycles. No significant financial risks have been identified. One potential risk is Digia's ability to meet the rapidly growing demands of environmental responsibility, which is being addressed through competence development and proactive dialogue with customers. When it comes to the circular economy and emissions reductions, there are growing demands both on Digia's own operations and in terms of its customers' needs.

"Green coding" refers to practices that produce optimised code, which can in turn minimise software energy consumption by providing customers with energy-wise solutions. Due to its customers' increased interest in this theme, Digia has been actively working with them to harness these opportunities.

Policies related to resource use and circular economy (E5-1)

Compliance with Digia's Code of Conduct and responsible way of working are integral to the company's strategy and instrumental to its business success. Digia encourages the use of environmentally friendly solutions in its own operations and workplaces, and expects its subcontractors and partners to do likewise. The Code of Conduct is described in more detail in Disclosure Requirement *G1-1 Corporate culture and business conduct policies*.

Digia's Code of Conduct is supplemented by the company's environmental policy, which is based on compliance with legislation and the UN's Sustainable Development Goals, as well as the active monitoring and development of recommendations and practices applicable to the company's operating sector. The environmental policy covers Digia's own operations and environmental responsibilities; promoting the circular economy, recycled resources and sustainable sourcing; supporting the eco-renewal of society; and monitoring and communicating environmental impacts. It applies to the Digia Group, but the company also expects value chain operators to commit to environmental responsibility. The policy has been approved by the

Management Team, who is also responsible for its supervision. Its implementation is the responsibility of the Head of Sustainability and the sustainability team, and it is their task to steer and develop operative measures in collaboration with financial, legal and business units. It is a permanent policy that will be updated as necessary. The environmental policy is publicly available on Digia's website and was last updated in 2024.

Resource wisdom is the core principle in Digia's software design. To mobilise policies among personnel, Digia has written a Green Code Manual and is providing training on the topic. The Green Code Manual supplements the company's environmental policy and provides employees with concrete guidance on how to use green code. The sustainability team is responsible for its implementation, which includes developing operative measures in collaboration with a variety of experts. In addition, the company is continually seeking new practices that will promote energy efficiency, including participation in research projects.

Digia delivers on its environmental responsibility in the everyday work of its workplace community, by operating in balance with the climate and carrying capacity of nature. The company monitors the sustainability of its procurements with the aid of its Sustainable Supplier programme, which is covered in more detail in Disclosure Requirement *S2-1 Policies related to value chain workers*. Digia encourages its suppliers to utilise recycled materials and increase their use of secondary resources.

Actions and resources related to resource use and circular economy (E5-2)

Digia wants to be resource-wise by utilising resources prudently in both its own operations and customer work, and by developing its resource-wise and green coding activities. According to Tieke's *Guide to ecologically sustainable public software procurement*, the Information and Communication Technology (ICT) sector's emissions are one of the fastest growing individual sources of carbon dioxide emissions. Green coding practices provide a way of limiting these emissions. This theme was actively discussed with customers over the course of the year. The company has actively participated in forums and discussions with green coding themes, and has provided educational institutions with training on the topic. Digia has also participated in research projects through which it gathers additional information and knowledge on the subject.

Data plays a central role in the circular economy. Increasing requirements highlight the need for more efficient use of resources, which can be facilitated by digital solutions. Digia has also identified regulatory pressures, such as the *EU Deforestation Regulation*, *Corporate Sustainability Reporting Directive (CSRD)* and *Carbon Border Adjustment Mechanism (CBAM)*, which will require companies to have an ever-increasing understanding of – and control over – their supply chains. Digia has profound experience in, for example, the implementation of a variety of ecosystem platforms, and the company discusses potential platform solutions for the circular economy with its customers.

Digia has also been working to raise awareness of current sustainability regulations among its employees, and the circular economy and resource efficiency are key themes. Discussions with customers have shown that Digia's internal competence in these areas still requires some improvement. In order to support the increasing needs of its customers in circular economy themes, the company wants to strengthen the relevant expertise of both its experts and management through training, briefings and communications. The implementation of these measures does not entail significant operational or capital expenditures. More information is available in the Disclosure Requirement *EU-taxonomy*.

Targets related to resource use and circular economy (E5-3)

Digia has not yet set any targets for resource use or the circular economy, as the company wants to ensure that they are based on thorough research and analyses that are still ongoing. Targets will be set during 2025 in conjunction with planning for the next strategy period. Digia will use its analyses to define an operating model, set targets and establish monitoring practices for this area as well.

Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities (E5-6)

As part of its double materiality assessment, Digia identified resource use and the circular economy (E5) as one of its material topics, and in particular due to its significance for future business. The company is engaging in proactive dialogue with customers on this topic, and will be setting more detailed objectives during 2025. Digia's business opportunities in this area are currently mid- to long-term, and the financial impacts of these will be clarified as customer demand evolves. The company does not identify any financial risks related to resource use or the circular economy.

ESG

- Social responsibility

S1 – Own workforce

Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

According to the double materiality assessment, Digia's material impacts, risks and opportunities relating to its own workforce concern working conditions, equality and providing equal opportunities for all. Digia is heavily dependent on its experts, which underlines the importance of employee wellbeing, workload management and flexible working hours.

These experts are employed by Digia, and are geographically located in Finland, Sweden and the Netherlands. Although the majority have full-time, permanent contracts, Digia also has some fixed-term and part-time employees. Digia reported gender in the categories women, men and other. Employee characteristics are covered in more detail in Disclosure Requirement *S1-6 Characteristics of the undertaking's employees*.

Digia supplements its own workforce with experts from a subcontracting network that mainly consists of independent entrepreneurs or specialists provided by third parties. Subcontracting is covered in greater detail later on in this Sustainability Statement in section *S2 Workers in the value chain*. A diverse and continually evolving range of talented, permanent employees is a prerequisite for business development.

The potential negative impacts on Digia's own workforce include experiences of discrimination or inappropriate treatment, workload issues, and challenges related to wellbeing and not being able to be oneself at work. Other challenges related to the workplace community have also been identified as potential negative impacts, such as gender bias in the IT industry and the unequal inclusion of certain personnel groups. As Digia becomes more international, inclusive policies, language skills, seamless collaboration and functional operational models will become increasingly important in these diverse cultural environments.

The positive impacts on Digia's own workforce include providing meaningful and challenging work for employees and supporting their wellbeing at work and continuous personal development. Flexible working hours, employee benefits and support for health and wellbeing can promote employee wellbeing.

The workloads associated with knowledge work are a common challenge in the IT sector. Challenges related to coping and wellbeing can lead to an increase in absenteeism. This may be concentrated on certain business areas and impact financial performance. Obtaining the required competencies is also an ongoing challenge. Workforce availability and retention have also been identified as a business risk.

The crux of Digia's personnel strategy is that sustainable growth is created by people who enjoy their work. Digia's HR strategy has three guiding perspectives that seek to achieve the best possible balance: competence management, cost competitiveness, and an employee-oriented culture. An appealing workplace community is an important enabler for Digia's growth, and being an attractive employer is also a business opportunity. Offering employees the chance to do meaningful work that leads to personal development in a healthy environment will make the company an attractive employer. A sustainable and ethical approach plays a key role in attracting young talents in particular.

A systematically evolving leadership and work culture helps to create an excellent employee experience. Digia is therefore focusing on supporting diversity and engaging all members of the workplace community. Meaningful, challenging work that leads to personal development will provide employees with positive experiences of success and learning. Every Digia employee has the chance to engage in lifelong learning and development, which helps to increase the value of their expertise during their term of employment. Strategic growth also leads to an increase in the number of people with connections to the company. The selected strategic HR focus areas described above, along with the social responsibility targets that support them, are key elements in both engaging existing personnel and attracting new talent.

Although Digia has not yet drawn up a transition plan for reducing negative climate impacts, the company has not identified any negative climate-related impacts or business risks that would have a material impact on its own workforce. However, environmental responsibility and its development also require the IT sector to analyse its own environmental impacts and enhance its operations through the development and adoption of new operating models and technologies. This may also create some new business opportunities, jobs and capabilities for Digia. The overall impact will, however, be fairly minor from the perspective of the company's own operations. The company is resource-wise, and promotes energy efficiency with the aid of green coding practices. More information about green coding practices is provided in this Sustainability Statement in section *E5 Resource use and circular economy*.

Digia sees business opportunities in the development of data, analytics and automation for managing environmental impacts, as well as in digital processes and practices for improving the energy efficiency of companies. The green transition will encourage the development and use of new technologies that can help us reduce waste and optimise energy use, such as artificial intelligence and automation. This will in turn strengthen demand for data, analytics and automation, and can create new jobs. At the same time, it will provide opportunities for retraining current employees, and particularly in the fields of AI and automation.

Due to the company's business model and geographical location, there is no significant risk of child or forced labour in Digia's own operations or among its own workforce.

Digia conducted a human rights survey to determine the demographic factors of its personnel and any potential risks connected with them. The survey indicates that the company is able to provide equal physical working conditions for its employees, which is also characteristic of the industry.

Digia also conducted an equality and non-discrimination survey to identify any groups that may be more susceptible to non-physical adverse effects. Employees belonging to language and other national minorities may face challenges in terms of inclusion and equal opportunities. The proportion of women in the IT sector is also significantly lower than that of men. The everyday experiences of different genders and age groups may also vary. The company works on the principle that it is possible to continuously improve people's experiences of equality and inclusion.

Policies related to own workforce (S1-1)

Code of Conduct

The most important policy governing Digia's own workforce is Digia's Code of Conduct. Compliance with the Code of Conduct is essential to the company's business success. Accordingly, all Digia personnel, including senior executives and the Board of Directors, are responsible for complying with these principles. The code applies to all of Digia's employees, subcontractors and network. The Code of Conduct is permanent in nature, but it is updated whenever necessary and approved by the company's Management Team and Board of Directors. The Code of Conduct is publicly available in both Finnish and English. It is described in more detail in Disclosure Requirement *G1-1 Corporate culture and business conduct policies.*

Digia complies with internationally-recognised human rights, labour rights and standards (UN Universal Declaration of Human Rights, UN Global Compact, and ILO Declaration on Fundamental Principles and Rights at Work), and applies them to all employees. The Code of Conduct prohibits the use of child or forced labour.

Digia's Code of Conduct is complemented by more detailed guidelines, policies and operating principles in various sub-areas. For Digia's own workforce, these include the company's cultural principles, human rights commitment, equality and non-discrimination plan, early intervention model, guidelines on inappropriate behaviour, collective agreement, salary and remuneration manual, and hybrid work model. At Group level, Digia's operations are guided by its cultural principles, human rights commitment and Code of Conduct. The other guidelines and policies presented in this Disclosure Requirement apply to Digia Plc and Digia Finland Ltd. The Group's other subsidiaries may also have company-specific policies for their own workforce. Development work to harmonise Digia's policies and international operating model is currently ongoing. No significant changes were made to the Code of Conduct during the 2024 reporting year.

Cultural principles

Digia's cultural principles – learning, sharing, courage and professional pride – underlie everything the company does. They were created in collaboration with Digia personnel, with the aim of helping both individuals and the workplace community as a whole to succeed and evolve in their work. The principles seek to promote wellbeing and reduce any potential negative impacts. Although the cultural principles are a Group-level policy, they are implemented on a practical and individual level. The principles have been approved by the Management Team.

Equality and non-discrimination plan

The equality and non-discrimination plan outlines actions to make Digia an increasingly inclusive workplace where everyone can be themselves. The plan also seeks to reduce any potential negative impacts on minorities. It is important for the company to ensure the equal treatment of all employees regardless of their gender, age, ethnicity or other characteristics. Digia does not tolerate discrimination or harassment of any kind. In accordance with the guidelines on inappropriate behaviour, all inappropriate behaviour is addressed as soon as it becomes known.

The equality and non-discrimination plan is based on the results of an equality and non-discrimination survey of Digia personnel. The plan is drawn up by the equality and non-discrimination team, and the action plan is updated at least once per strategy period. The current plan was last updated in 2023, and has been approved by the Management Team. The equality and non-discrimination team is responsible for implementing the action plan and the Management Team is responsible for supervising it. During the current strategy period (2023–2025), the plan's focus areas are an inclusive culture and psychological safety, making the use of English commonplace, increasing the proportion of women working at Digia, and increasing inclusivity and career opportunities for women. Digia also has a diversity tribe whose members handle and discuss the topic, share information and learn new things. The Code of Conduct and the equality and non-discrimination plan address various forms of discrimination and the reasons behind them.

Leadership principles

The aim of Digia's leadership principles is to support and guide everyday management and promote wellbeing. These principles ensure that management at Digia is consistent and supports the company's values and goals. The leadership principles have been approved by Digia's Management team, and the HR Director is responsible for overseeing them. The implementation of these principles is overseen by supervisors and the HR team in daily operations.

Early intervention model

The early intervention model aims to ensure that employees receive the support they need if they encounter any problems at work. Examples of this may include increased absenteeism, difficulty in carrying out their work, or problems interacting with customers or colleagues. The early intervention model also involves providing long periods of sick leave or family leave when necessary, and creating harmonised practices that lower the threshold for returning to work. The model has been approved by the HR Director. It is implemented by supervisors and the HR team, and supervised by the HR Director.

Guidelines on inappropriate behaviour

Digia has established an internal policy for addressing inappropriate behaviour and harassment. Supervisors and employee representatives have received training that will help them to intervene in these kinds of situations. All Digia employees play their part in creating a functional and psychologically safe workplace. The primary means of addressing these issues is to arrange a discussion between the parties involved, facilitated by HR if necessary. This policy has been approved by the HR Director. It is implemented by supervisors and the HR team, and supervised by the HR Director.

If other reporting methods do not feel safe, Digia employees can also report harassment and inappropriate behaviour through the Whistleblowing channel. For more information about Digia's Whistleblowing channel and related policies, see the Disclosure Requirements *G1-1 Corporate culture and business conduct policies* and *G1-3 Prevention and detection of corruption and bribery.*

Collective agreement

Digia has its own collective agreement, which applies to the employees of Digia Plc and Digia Finland Ltd. Digia negotiated its own collective agreement, initially with employee representatives and later with employee unions. When creating its own agreement, Digia drew on the general collective agreement for the IT service sector, which it had previously followed. The scope of the collective agreement and any limitations have been reported in more detail in Disclosure Requirement *S1-8 Collective bargaining coverage and social dialogue.*

The collective agreement has been approved by the Management Team. It is implemented by supervisors and the HR team, and supervised by the HR Director and employee representatives.

Salary and remuneration manual

Digia's salary and remuneration manual collates policies related to salaries and remuneration. The manual describes the general principles governing remuneration and total compensation, Digia's salary models, competence levels, the salary review process and salary management. The manual also answers frequently asked questions. It aims to increase transparency and understanding of salaries and remuneration as a whole, and to support good salary management. The salary and remuneration manual has been approved by the Compensation Committee and the Management Team. It is implemented by supervisors and the HR team, and supervised by the HR Director.

Hybrid work model

Digia has a hybrid work model. Working at Digia should be smooth and flexible, and should nurture a sense of community. Although most work is site-independent, employees separately agree on remote working methods with their supervisor. The hybrid work model has been agreed on and approved by the Management Team, and is implemented by the HR and Office teams. Remote work permits are controlled by the HR team and CSO Office.

Human rights commitment

In 2022, Digia conducted a survey of human rights risks and impacts related to the company's business. This analysis was carried out in accordance with the UN Guiding Principles on Business and Human Rights, and took into account both actual and potential human rights risks and impacts. Digia's human rights impacts on its own workforce and human rights impacts arising from Digia's most significant procurements were both selected for special examination.

In 2023, the company deepened this analysis by extending the mapping of human rights risks and impacts to Digia's entire value chain (own operations, supply chain, customers).

The actual or potential human rights risks identified in Digia's value chain were:

- the right to health and safety
- the right to non-discrimination
- the right to decent work
- the elimination of labour exploitation and forced labour
- the right to organise and collective bargaining
- the right to privacy.

Digia released the company's human rights commitment on the basis of this survey. In accordance with the UN Guiding Principles on Business and Human Rights, Digia has committed to respecting human rights in accordance with the UN Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights. The company adheres to the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work, including freedom of association and the effective recognition of the right to collective bargaining, the elimination of all forms of forced or compulsory labour, the effective abolition of child labour, the elimination of discrimination in respect of employment and occupation, and a safe and healthy working environment. Digia's approach to human rights is also reflected in its commitment to the Ten Principles of the UN Global Compact.

Digia's human rights commitment is publicly available on the company's website, and also includes processes and systems to manage any identified human rights risks. The commitment has been approved by the Management Team. The HR team is responsible for its implementation, and the HR Director and General Counsel for its supervision.

Processes for managing identified human rights risks include the early intervention model, the equality and non-discrimination plan, safety and security policies, and the guidelines on inappropriate behaviour.

Employees also have the opportunity to address any issues that affect them via open internal communications on topical issues, personnel surveys and briefings in accordance with the annual calendar, and one-on-one conversations with supervisors. The company's operations and processes are developed in collaboration with shop stewards and employee representatives from the occupational safety organisation, the equality and non-discrimination team and the growth team.

Digia's Code of Conduct training includes training on non-discrimination policies and procedures.

In order to address any negative human rights impacts as soon as they occur, Digia monitors workloads and stress, key health indicators, feedback and the results of the personnel surveys, as well as any cases of inappropriate behaviour and any reports received via the Whistleblowing channel. HR and employee representatives assess the functionality of these processes from a variety of perspectives, such as wellbeing, internal career opportunities and equal pay.

Preventing accidents in the workplace

Digia has policies for preventing accidents in the workplace. Operations are planned on the basis of both regular workplace surveys that are conducted by occupational healthcare and the annually approved occupational health and safety action plans. These action plans cover any identified health risks, and also contain measures related to health checks, ergonomics and early intervention. Location-specific workplace surveys include analyses of the risks and problems associated with working environments, methods and conditions. Emergency first aid training helps to ensure that each site has sufficient people with first aid skills. The HR team monitors occupational accident statistics as part of its operational monitoring and development.

The elimination of discrimination in respect of employment and occupation

Digia is committed to supporting different groups of employees through a variety of policies. The company supports the employment of people of different ages and at various stages of their careers, for example, by hiring trainees, recent graduates, career changers and those without extensive IT experience. Digia wants to provide newcomers to the IT sector with a clear career path towards the most demanding expert tasks. Digia also hires professionals over the age of 60, offers flexible tasks, and runs the Konkarit (Veterans) programme for employees approaching retirement age.

In 2024, Digia signed the Women's Empowerment Principles (WEPs), which were drawn up by the gender equality organisation UN Women and the UN Global Compact. The WEPs are seven principles that provide guidance and means for companies to promote gender equality. Digia is committed to creating a working environment in which everyone can feel valued and included. Digia also demonstrated visible and concrete support for sexual and gender minorities through Pride partnership.

Digia has policies to ensure that the recruitment, training and promotion of employees is based on qualifications, skills and experience. This topic is covered in the salary and remuneration manual, which openly describes career paths, task families and competence levels. The information is used to support the development of both competence and salary structures. This aims to ensure that all Digia employees have the chance to develop and advance in their careers without being placed at a disadvantage on the basis of their age or gender. Digia has established salary management guidelines for supervisors. Digia's standardised salary review process aims to increase fairness, equality and non-discrimination during salary reviews.

The policies governing Digia's own workforce are available on the company's intranet. Some of the policies are also publicly available on the company's website. These policies are reviewed during the onboarding programme for new recruits and in Code of Conduct training. In addition to e-learning, the onboarding programme includes a general "Get to know Digia" section that also covers the policies related to Digia's own workforce.

The HR Director, who is also a member of the Management Team, is responsible for promoting and safeguarding the interests of employees.

Processes for engaging with own workers and workers' representatives about impacts (S1-2)

Digia has several channels and means of directly contacting employees and their representatives. These means and channels include:

- a personnel survey of Digia companies in Finland, 1–2 times per year
- targeted studies as required
- Digia's equality and non-discrimination survey of companies in Finland, every 2–3 years
- regular target and learning discussions, and their associated feedback discussions
- routine management and one-on-one conversations with supervisors
- project and team feedback.

Elected employee representatives, such as shop stewards and members of the growth team and health and safety organisation, seek improvements by engaging in continuous dialogue within their area of authorisation. Employees' views are taken into account in areas such as Digia's cultural focus, strategic HR choices and sustainability targets.

Shop stewards and other employee representatives from the growth team, the occupational safety committee and the equality and non-discrimination team meet regularly. The topics covered include legislative matters, Digia's strategy, and topic-specific actions and indicators. The occupational safety committee pays particular attention to wellbeing measures, the occupational health and safety action plan, and the equality and non-discrimination plan. The equality and non-discrimination plan is also monitored by the equality and non-discrimination team.

One-off surveys will be sent out when required. Digia's companies in Finland arrange personnel briefings four times a year alongside each business unit's own briefings and team meetings. One-on-one target and development discussions are held at least twice a year in a process-driven manner. Supervisors also hold additional one-on-one discussions with their team members as required. The company always aims to provide communications and conduct surveys in both Finnish and English.

Operative responsibility for communications is held by Digia's HR Director, who is a member of the Management Team.

Digia assesses the effectiveness of its communications by monitoring the results and response rates of its surveys and following other internal metrics, such as feedback and the level of activity in different communication channels. The goal is to create an excellent employee experience, of which the employee net promoter score (eNPS) is the main indicator.

The background variables for the personnel survey and the equality and non-discrimination survey are gender, age and role. By gathering these background variables, more detailed information may be gained about the experiences of different employee groups, such as young people, those approaching retirement age, women and other genders. The equality and non-discrimination survey is a way of investigating experiences of inclusiveness, discrimination and sexual harassment in a variety of everyday situations, such as teamwork, recruitment, salary decisions, and career and competence development opportunities.

Processes to remediate negative impacts and channels for own workers to raise concerns (S1-3)

Digia is committed to taking action based on due diligence processes, so that the company does not cause or contribute to any adverse human rights impacts in its business activities. Digia encourages and directs supervisors to have regular and open conversations with their team members. Target and development discussions are conducted 1–2 times per year according to the specified process. Other supervisors may also initiate discussions on a needs basis, and they play a key role in addressing and resolving challenges associated with coping or performance at work and issues concerning conflicts or inappropriate behaviour.

Digia has an early intervention model so that any situations in which an employee may need additional support can be identified as soon as possible. The model aims to ensure that supervisors can provide the necessary support and assistance before problems escalate, thereby promoting wellbeing and coping at work. Supervisors also receive automatic wellbeing alarms that direct them to hold early intervention discussions. If any challenges with wellbeing or coping arise, Digia will determine what kind of support the employee needs in the workplace. This support may be a change in workload, working hours or tasks, or competence development in the form of personalised training, coaching or mentoring.

Digia does not tolerate inappropriate behaviour or discrimination, and any incidents that come to light will be resolved in accordance with the remediation model for inappropriate behaviour. If any inappropriate behaviour occurs, the primary means of addressing the issue is to arrange a discussion between the parties involved, facilitated by a supervisor and HR if necessary. The appropriate action and follow-up measures will then be determined. If other reporting methods do not feel safe, Digia employees can also report harassment and inappropriate behaviour anonymously through the Whistleblowing channel.

Digia's Whistleblowing channel is available to all employees on both its public and internal websites. Instructions for using the channel are also easy to find, and employees have been informed of its existence via internal communications. The channel is also covered during Code of Conduct training. The process for handling reports is described in more detail in Disclosure Requirement *G1-3 Prevention and detection of corruption and bribery.*

Digia encourages open dialogue. Employees can raise their concerns and needs during company-level and unit-specific HR briefings and meetings, via internal discussion channels, at team meetings, and during one-on-one discussions with their supervisors. Communications with the company's own workforce will be covered further in Disclosure Requirement *S1-2 Processes for engaging with own workers and workers' representatives about impacts.*

The annual personnel survey gives Digia personnel the opportunity to provide open verbal feedback. Digia commissions its own survey on equality and non-discrimination issues at least once per strategy period. Themed surveys on current issues are sent to personnel as required – the hybrid work and AI competence surveys, for instance. Digia has proactively developed a variety of feedback channels through which supervisors and other personnel can provide feedback on performance, success and development targets to their team members and colleagues. Digia's feedback culture has been systematically developed through continuous improvement. The company has a target-linked annual process to assess feedback at regular intervals. To support the exchange of everyday feedback, Digia uses tools such as Workday's peer-to-peer feedback model, and Teams' Praise channel for sending positive feedback.

In accordance with its process, the HR team conducts an internal, biannual analysis of any reports and cases of inappropriate behaviour and discrimination, including how they were handled and resolved. These incidents will also be discussed with employee representatives, the occupational health and safety organisation and the equality and non-discrimination team to ensure that both the remediation model and active procedures to address inappropriate behaviour are being developed. Digia receives very few reports, but each one is taken seriously and thoroughly investigated.

Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions (S1-4)

Digia's measures to manage personnel-related material impacts, risks and opportunities are part of its broader HR strategy and sustainability programme. Digia has conducted a comprehensive human rights survey to identify any human rights risks and impacts throughout its value chain, including on its own workforce. A human rights commitment has been published on the basis of the results. The human rights analysis and commitment are covered in more detail in Disclosure Requirement *S1-1 Policies related to own workforce.*

Digia takes a broad range of measures to prevent negative material impacts on the company's own workforce and to promote positive ones. The company focuses on maintaining the working capacity of its employees through day-to-day management and personalised measures and flexibility. Enhancing and developing Digia's working culture, operating methods and leadership creates wellbeing, which in turn helps to maintain working capacity. Wellbeing and working capacity are also supported in a targeted manner with the aid of comprehensive occupational healthcare services, flexible working hours and arrangements, an early intervention process, and a variety mental health services and support methods. This theme of employee-wellbeing is broadly considered, and wellbeing issues are communicated in a diverse manner. Training sessions and discussions are organised in cooperation with experts from occupational healthcare and pension companies.

Digia systematically supports the wellbeing of its employees by developing everyday management skills, self-direction and personal competence in the spirit of continuous improvement. The company wants to increase its employees' capacity to meet the evolving expectations of working life, and therefore invests in developing clear objectives and a good feedback culture. In 2024, the main competence development targets were related to artificial intelligence and leadership. At an organisational level, Digia continued to develop its processes for giving feedback and setting targets and learning objectives.

Digia is aiming to strengthen feelings of inclusivity by regularly asking employees about their experiences in the equality and non-discrimination survey, updating the equality and non-discrimination plan on the basis of this survey, and addressing any inappropriate behaviour. Programmes are offered to employees at different stages of their careers, for example Konkarit-programme as retirement age approaches. Diversity is supported through internal communications and Digia's public Pride partnership.

Digia promotes career opportunities for women and seeks to increase the proportion of female employees by providing supervisors with salary training, and by analysing and developing equal pay at an organisational level. This theme has been actively promoted through Digia's participation in the Women in Tech and Mimmit koodaa (Women Code) networks. In 2024, the company conducted an inclusiveness assessment of Digia's recruitment announcements.

Digia's goal is to prevent negative impacts on employees with the aid of proactive measures and defined processes. Any questions or issues that are raised will be handled in accordance with the Code of Conduct. The Code of Conduct is described in more detail in Disclosure Requirement *S1-1 Policies related to own workforce*.

Challenges with workforce availability and retention have also been identified as a business risk. Both skilled in-house personnel and subcontracting are key success factors. Digia's attractiveness as an employer is a business opportunity. The ability to provide meaningful work that leads to personal development in good working conditions is a way to attract potential employees to the company and experts to the subcontractor network. It also improves employee retention. Digia has also invested in collaboration with universities, and has actively participated in a variety of events. The company makes sure to read every job application thoroughly.

Digia believes that creating a sense of community is both a significant success factor and an important part of providing meaningful work. One of the company's main themes in 2024 was to strengthen its sense of community both virtually and in person. Teams have received support in creating their own policies for hybrid work and community practices, and events have also been organised for all office staff.

Surveys, participation, representation in certain roles, open discussions and communications are all used to assess the effectiveness of this action. Engagement with the company's own workforce is described in more detail in Disclosure Requirement *S1-2 Processes for engaging with own workers and workers' representatives about impacts*. The impacts of Digia's actions are monitored and measured annually using a broad range of internal and external metrics. Competence is monitored via feedback, the number of training hours, and a variety of targets. Inclusivity is monitored with the aid of the equality and non-discrimination survey and employee diversity data. The eNPS is the main metric for a sense of community. When it comes to wellbeing, sickness absences are monitored and particular attention is paid to absences related to mental health, which can be caused by a variety of psychological and emotional challenges, such as stress, fatigue or other problems that affect mental wellbeing.

Digia has a comprehensive security and data protection process, which also covers the processing of personnel data. This ensures that the company's own practices do not cause or contribute to material negative impacts on its own workforce. Digia's security management system complies with the international ISO 27001 standard for information security management. Training and communications ensure that personnel are familiar with the company's Code of Conduct, commitments and policies, and are therefore able to comply with agreed processes and rules.

The management of material impacts relating to Digia's own workforce is the responsibility of the HR team, which consists of the HR Director, the Head of Sustainability and a broad variety of other HR experts. HR experts have also been integrated directly into business units, where they are part of the unit's management team.

Digia supports the UN's Sustainable Development Goals: 4 Quality education, 5 Gender equality, 8 Decent work and economic growth, and 10 Reduced inequalities. Digia's cultural principles are the foundation for everything the company does, and other policies, procedures and objectives help Digia to achieve these goals.

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S1-5)

During the 2023–2025 strategy period, Digia will achieve the goals of its HR strategy through four selected focus areas: learning, goal-orientedness, wellbeing and a sense of community. Digia is continuously working to create a culture of lifelong learning, a caring workplace community, and a humane working day that is both efficient and goal-oriented yet also leaves a good mental footprint.

The objectives described below have been set for the strategy period in order promote positive impacts on employees. They have been set for the end of 2025, and their progress will be actively monitored throughout the strategy period.

The employee net promoter score (eNPS) is the main indicator of personnel wellbeing. The target is to achieve growth of 35 per cent in Digia's eNPS by 2025 (in comparison to the 2022 eNPS). The employee net promoter score is calculated by subtracting the percentage of detractors from the percentage of promoters. In 2024, the eNPS had improved by 25 per cent (+25%) compared to the 2022 baseline, which means that the target for the strategy period was exceeded ahead of schedule. The result is for Digia companies in Finland. Other subsidiaries have their own indicators to monitor employee satisfaction.

Digia wants to increase diversity at all organisational levels. The proportion of women in executive positions is a key indicator of diversity. The goal is for 25 per cent of Digia's executives to be women. In 2024, the proportion of women in executive positions was 16 per cent (16%). Women accounted for 34 per cent (29%) of those in supervisory roles in 2024. The data covers the entire Group. Digia is also aiming to increase the number of women in architectural roles, which was 7 per cent (3%) in 2024. This data covers companies in Finland.

Digia aims to leave a responsible mental footprint. The key indicator for this is the number of absences due to mental health reasons. The target is to have fewer than 1.0 days of absence, on average, per person per year for mental health reasons. The number of absences in 2024 was 1.3 (1.3) days of absence per person. The data covers Digia companies in Finland.

Digia provides opportunities for lifelong learning. The percentage of employees with a learning objective is measured and monitored annually as part of competence development. The goal is to set a learning target for 75 per cent of personnel. Learning targets were recorded for 52 per cent (54%) of personnel in 2024. This data covers the entire Group.

Targets are formulated during discussions with employee representatives in order to gain a better understanding of employees' general and specific needs. Goals have been set for the entire strategy period (2023–2025), and a consistent methodology will ensure that the results are comparable. The targets have been reviewed and decided on by the Management Team, and have also been approved by the Board of Directors.

Targets, their attainment and any related metrics are closely monitored by the HR team, Sustainability Working Group, Sustainability Steering Group, Management Team, and Board of Directors' Audit Committee.

Characteristics of the undertaking's employees (S1–6)

The figures indicate the number of employees at the end of the reporting period. The number of employees and their distribution by country are given in Digia's Financial Statements under section 4 *Personnel*.

Gender	Number of employees
Men	1,121
Women	455
Other	0
Not reported	0
Total number of employees	1,576

Country	Number of employees
Finland	1,444
Sweden	122
Netherlands	10

Women	Men	Other	Not reported	Total
Number of employees				
455	1,121	0	0	1,576
Number of employees with permanent employment contracts				
450	1,114	0	0	1,564
Number of employees with fixed-term employment contracts				
5	7	0	0	12
Number of employees with employment contracts for variable working hours				
7	11	0	0	18
Number of employees with full-time employment contracts				
399	1,046	0	0	1,445
Number of employees with part-time employment contracts				
56	75	0	0	131

Finland	Sweden	Total*
Number of employees		
1,444	122	1,566
Number of employees with permanent employment contracts		
1,433	122	1,555
Number of employees with fixed-term employment contracts		
11	0	11
Number of employees with employment contracts for variable working hours		
17	1	18
Number of employees with full-time employment contracts		
1,322	117	1,439
Number of employees with part-time employment contracts		
122	5	127

* Personnel in the Netherlands are excluded due to their small number.

A total of 146 employees left Digia in 2024, resulting in turnover of 7,7 per cent.

Characteristics of non-employee workers in the undertaking's own workforce (S1–7)

An average of 374 people per month worked as subcontractors in Digia's projects during 2024.

For more information about subcontractors and their characteristics, see Disclosure Requirement *S2 Workers in the value chain*.

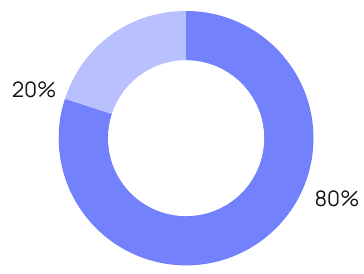
Collective bargaining coverage and social dialogue (S1–8)

85 per cent of the Digia Group's employees are covered by collective bargaining agreements. Digia has its own collective agreement in Finland, which entered into force in May 2023. This collective agreement covers employees of Digia Plc and Digia Finland Ltd. Digia Plc's subsidiary Productivity Leap Ltd uses the Collective Agreement for the IT Service Sector as an unorganised employer. Digia Sweden AB, Top of Minds AB, and Climber International AB and its subsidiaries are not covered by a collective agreement. Most Digital Sweden AB does not have any employees. Subcontractors are not covered by Digia's collective agreements, as they are not employed by Digia.

	Collective bargaining coverage		Social dialogue
Coverage	Employees – EEA (countries in which there are at least 50 employees and they account for more than 10 per cent of the total number of employees)	Employees – non-EEA regions (an estimate for regions in which there are at least 50 employees and the employees account for more than 10 per cent of the total number of employees)	Workplace representation (EEA only) (countries in which there are at least 50 employees and the employees account for more than 10 per cent of the total number of employees)
0–19%	Sweden		Sweden
20–39%			
40–59%			
60–79%			
80–100%	Finland		Finland

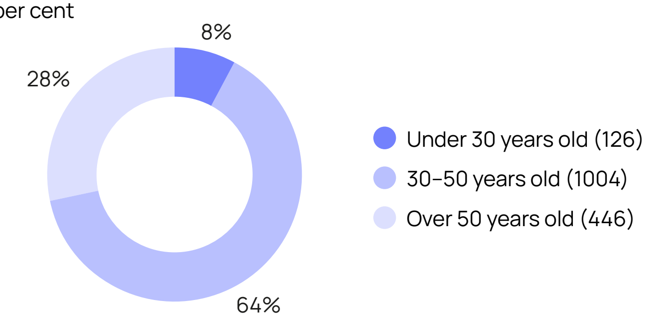
Gender distribution of Management Team 2024

per cent



Distribution of employees by age group

per cent



Diversity indicators (S1–9)

The gender distribution of Digia's senior executives and the age distribution of employees during 2024 is presented below. Digia's definition of a "senior executive" is a member of the Group Management Team.

Adequate wages (S1-10)

Digia always pays at least the minimum wage specified in the collective agreement. If a company is not covered by the collective agreement, the minimum wage is based on the salary specified in the industry's general collective agreement. As part of the human rights survey conducted in 2023, Digia also reviewed the remuneration practices of its subcontractors' nearshore and offshore operations to ensure that adequate wages were being paid.

Social protection (S1–11)

Digia wants to be a family-friendly employer that understands diverse life situations. All companies within the Group have a right to family-related leave. Digia supports the varying life situations, working capacity and care responsibilities of its employees by offering flexible, location-independent working hours and providing occupational healthcare services. These services may vary from country to country and company to company.

In addition to statutory occupational accident, life and pension insurance, Digia's also offers additional insurances, such as medical expense insurance and travel insurance for both working hours and leisure time. These additional insurances are company-specific within the Group.

Training and skills development indicators (S1–13)

Expertise and its continuous development play a key role in enabling Digia to serve its customers on the basis of the latest information. The company wants the value of Digia personnel's expertise to increase during their term of employment. Competence development occurs through interaction with others and interesting new kinds of tasks and training.

Percentage of employees that participated in regular performance and career development reviews

All personnel	Men	Women	Other
100%	100%	100%	–

Average number of training hours per person for employees, by employee category and by gender.

All personnel	Men	Women	Other
53.4 h	52.8 h	54.7 h	–

Health and safety metrics (S1–14)

100 per cent of the Digia Group's own workforce is covered by occupational healthcare. The scope of occupational healthcare services may vary between companies.

There were 6 work-related accidents in 2024. There were no fatalities as a result of work-related injuries and work-related ill health at Digia.

Work-life balance metrics (S1–15)

All of the Digia Group's employees (100%) are entitled to take family-related leave. 6.0 per cent of Digia personnel took family-related leave in 2024. 6.4 per cent of all women and 5.8 per cent of all men took family-related leave.

Compensation metrics (pay gap and total compensation) (S1–16)

Country	Gender pay gap	Total earnings ratio
Finland	6%	25%
Sweden	2%	69%

Digia analyses the realisation of pay equality also from different perspectives (such as the competence classification of positions, and task profiles).

Incidents, complaints and severe human rights impacts (S1–17)

During 2024, Digia did not receive any reports of discrimination as specified in the Equality Act, nor any reports of serious cases of human rights violations. A total of 4 reports were received through the Whistleblowing channel, none of which were found to require further action after investigation.

S2 Workers in the value chain

Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

In conjunction with the double materiality assessment, the main value chain impacts were found to be limited to upstream operations and primarily direct suppliers. The largest supplier group of this type is subcontractors. Digia has also identified downstream workers in, for example, its acquisition of IT equipment. The risk of human rights violations at these stages is significant, but Digia's ability to influence them is very limited. Unless otherwise mentioned, this section will – on the basis of materiality – focus only on value chain workers for subcontractors on whom Digia has a direct impact.

Digia Hub is the company's subcontracting and collaboration network, which consists of more than 5,000 freelance professionals and hundreds of subcontracting companies in Finland. In the EU, the Digia Hub also has nearshore subcontracting companies that, in addition to the Nordics, operate in the Baltic countries and in Central and Eastern Europe. Digia's main partner for subcontracting international talent is Fulcrum Digital, whose Digia team is located in India.

Digia is strongly dependent on its skilled workforce, which is why the company also needs to source experts through subcontracting. Subcontracting provides the increased flexibility that is required to seize business opportunities. When it comes to working conditions and the workplace community, workers in the subcontracting network are generally subject to similar challenges as the company's own employees, even if they are not employed by Digia. As entrepreneurs, they often carry greater responsibility for their own health and working hours, even though Digia attempts to monitor them. Digia is aware that it has subcontractors in countries in which there is a higher risk of human rights violations. More information about Digia's analysis of human rights risks and impacts, as well as any actual and potential human rights risks identified in the company's value chain, is provided in Disclosure Requirement *S1-1 Policies related to own workforce.*

Policies related to value chain workers (S2-1)

Digia has developed a Supplier Code of Conduct that is based on Digia's own Code of Conduct. In addition to its Code of Conduct, Digia has an anti-bribery and anti-corruption policy that is based on the UN Convention against Corruption. The company requires all of its subcontractors to adhere to the Supplier Code of Conduct. The Code requires suppliers to uphold internationally recognised human rights, labour rights and standards (the UN Universal Declaration of Human Rights, the UN Global Compact and the ILO Declaration on Fundamental Principles and Rights at Work). It contains rules for suppliers, and prohibits them from using forced or child labour. The Supplier Code of Conduct is permanent in nature, but is updated as necessary. It was last updated in 2023. The Management Team approves the Supplier Code of Conduct, and the legal team and General Counsel are responsible for implementing and supervising it.

Its purpose is to ensure that suppliers operate ethically and sustainably, and comply with internationally recognised human rights, labour rights and standards. Contractors are contractually obliged to adhere to the Code of Conduct. Digia's aim is to extend the Code of Conduct to all procurements, so that it covers the entire value chain. For more information about Digia's anti-bribery and corruption policy, see the disclosure requirements *G1-1 Corporate culture and business conduct policies* and *G1-3 Prevention and detection of corruption and bribery.* Based on its human rights analyses, Digia has drawn up its own human rights commitment, which has been approved by the Management Team and published on Digia's website. The human rights commitment is covered in more detail in Disclosure Requirement *S1-1 Policies related to own workforce.*

The guidelines and commitment are part of Digia's Sustainable Supplier Programme, which helps the company to better assess and categorise supplier risks, thereby improving the transparency of the supply chain. A risk assessment of subcontractors is carried out as part of the procurement process, and their implementation of responsible sourcing principles is checked before any contracts are signed. The risk assessment also includes an investigation of potential human rights violations. The programme currently covers Digia's subcontractors. A separate, more comprehensive report is required for companies with the highest risk rating. Any observed risks are sent for processing and follow-up measures in accordance with Digia's risk management process. Supplier reports may lead to the termination of cooperation. Corrective measures may also be agreed upon, and their implementation will then be monitored. The Management Team approves and supervises the Sustainable Supplier programme. It is coordinated by the risk management team and sustainability team, which together guide and develop operational activities in collaboration with the finance team and procurement units.

Digia's subcontracting within the European Union occurs through the Digia Hub network. Each subcontractor working on a project led by Digia will complete annual training modules on the Code of Conduct, data protection and data security.

Digia expects any supplier who becomes aware of any violation of the Code of Conduct by their own employees or Digia's employees to promptly report the same to Digia. Digia has not been made aware of any violations of the above-mentioned policies by companies in its value chain.

Processes for engaging with value chain workers about impacts (S2-2)

Digia aims to engage in responsible collaboration and manage sustainability risks throughout the value chain. Collaboration and communication between Digia and its subcontractors takes place both directly (between employees) and indirectly (between their legal representatives). Applicants undergo extensive interviews before they are permitted to join the Digia Hub network. Although each customer project has its own processes, engagement is both regular and managed. Digia communicates with members of the Digia Hub subcontracting network on a regular basis, and requests them to update certain information four times a year. In the event of a problem, the Digia Hub serves as a communication touchpoint.

Digia builds up an understanding of materialities and stakeholders' expectations through a combination of routine management and regular meetings, surveys and analyses. An annual survey is sent to key subcontractors. After a project has ended, discussions will be held with the subcontractor, and they will be directed towards the next project. In the case of subcontracting, operational responsibility for implementing these actions lies with the Digia Hub's business lead.

Digia conducts an annual survey of key subcontractors according to the company's risk classification. The survey aims to ensure compliance with Digia's Code of Conduct. 2023 was also the first year that Digia sent its subcontractors an equality and non-discrimination survey and a data protection and data security survey. Digia also conducts audits as necessary. Supplier surveys provide a comprehensive understanding of workers in the subcontracting network. The impacts of these measures are assessed yearly as part of Digia's Sustainable Supplier programme. The Digia Hub internally assesses the effectiveness of its processes and requests feedback from the network's members.

Regular discussions are held with subcontractors in India, and workers' rights are an integral aspect of these conversations. Digia aims to proactively expand its supplier management, and to increase dialogue with other important suppliers and include them in the Sustainable Supplier programme.

Digia has no framework or other agreements with trade unions concerning workers in the value chain.

Processes to remediate negative impacts and channels for value chain workers to raise concerns (S2-3)

By signing Digia's Supplier Code of Conduct, the supplier agrees to immediately report any violations of the code so that the situation can be promptly addressed. Everyone has access to the Whistleblowing channel, and the link is available both in the Supplier Code of Conduct and on Digia's website. For more information about Digia's Whistleblowing channel and related policies, see the disclosure requirements *G1-1 Corporate culture and business conduct policies* and *G1-3 Prevention and detection of corruption and bribery.*

Subcontractors can also raise concerns by contacting Digia's project manager directly. Subcontractors will have the opportunity to provide feedback during the one-on-one discussions that are arranged after a project has ended.

Digia collects feedback through an annual subcontractor survey, the feedback and follow-up actions of which are handled by the Digia Hub's business lead. Through the survey, Digia ensures that subcontractors are aware of its Whistleblowing channel.

Information on how the undertaking takes action to address material impacts on value chain workers and to manage material risks and pursue material opportunities related to value chain workers, and the effectiveness of those actions (S2-4)

Digia seeks to prevent negative impacts on value chain workers by ensuring that all subcontractors comply with the Supplier Code of Conduct. This is accomplished with annual monitoring to check how many subcontractors have signed the Code of Conduct. The goal is to ensure that upstream suppliers operate ethically and sustainably, and comply with internationally recognised human rights, labour rights and standards. Digia is committed to taking action based on due diligence processes, so that the company does not cause or contribute to any adverse human rights impacts in its business activities. These kinds of impacts are addressed and corrected as soon as they occur. No significant human rights issues or violations were identified in the supply chain in 2024.

The potential negative impacts that may occur during subcontracting include health concerns or fatigue, which increase absenteeism. In such situations, Digia will attempt to discuss alternative solutions, such as reduced daily working hours. If necessary, a representative of the subcontractor will be included in these discussions. Digia wants to proactively increase its subcontractors' capacity to meet the evolving requirements of working life. The company therefore invests in promoting open communications and developing clear objectives, flexible working hours and a constructive feedback culture.

As part of the Sustainable Supplier programme, a background check and risk assessment will be performed for new suppliers. These measures aim to ensure that each supplier and subcontractor has the means to identify and minimise any impacts on the rights and working conditions of its workers. The programme also includes annual surveys, and audits of selected suppliers are performed as necessary to ensure their commitment to the Code of Conduct. The insights and feedback obtained from these surveys are handled by the Digia Hub Leadership Team and used to recommend developments and monitor any corrective measures that may be required. Digia Hub's business lead is a member of the Sustainability Working Group, which discusses and prepares sustainability issues for the Management Team to review. Reports received through the Whistleblowing channel will be handled in accordance with a separate process, which is described in more detail in Disclosure Requirement *G1-3 Prevention and detection of corruption and bribery*.

Digia supports UN Sustainable Development Goal 8 which aims to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S2-5)

Digia's goal is for 100 per cent of its subcontractors to commit to the Supplier Code of Conduct by the end of 2025. The aim is to ensure that human rights and fair working conditions are realised for all value chain workers in Digia's subcontracting. A target has been set for the 2023–2025 strategy period, and progress will be monitored on an annual basis during this period. The result for 2024 was 89 per cent (80%). Good progress has been made towards achieving this target.

The target was set in collaboration with the Digia Hub as part of Digia's strategy work. It was decided on by Digia's Management Team and approved by the Board of Directors. The target-setting process has not involved direct contact with value chain workers or their representatives.

Development measures and target attainment are monitored at the Sustainability Working Group's quarterly meetings. In its biannual meetings, the Digia Hub's strategy working group discusses these measures in greater detail and reviews the sustainability targets. Any action that is taken and any development plans that are drawn up on the basis of these observations will be reported as part of business development.

S4 – Consumers and end-users

Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

In conjunction with the double materiality assessment, Digia recognised that the value chain's most significant impacts are on the company's customers and, through their services, end-users. However, Digia's potential to influence end-users is mainly indirect, as it occurs through its customers' operations. Digia recognises that there is a risk of human rights violations, but judges it to be unlikely. Due to the limited opportunities for influencing end-users, the company will focus in this section on customers and end-users on the basis of materiality.

Digia's customers include both private- and public-sector companies and organisations. The company's definition of end-users includes those who use these companies' or organisations' solutions. Digia does not have any detailed information about end-user demographics, as they vary between customer projects.

Digia handles and develops solutions that make extensive use of data. Digia's business is founded on the responsible use of data, both in the company's own processes and in its customer solutions. The company aims to promote the digitalisation of society by providing everyone with secure and easy-to-use services. The needs of special groups can be taken into account with the aid of accessibility assessments and top-quality service design. Accessibility requirements have thus far been an important aspect of projects for public-sector customers, but are now being seen in the private sector as well. Thanks to Digia's extensive expertise, increased regulation and the resulting customer needs will create more business opportunities for the company.

End-users may be exposed to a variety of privacy risks, and users may have varying starting points and levels with respect to digital services. Negative impacts are not occurring systematically – they are mainly isolated cases. A security breach may result in an end-user's personal data ending up in the possession of third parties. Digia's most significant business risks are therefore associated with privacy and security issues that could damage its reputation or potentially lead to major compensation claims. Digia has also identified the need to monitor developments in artificial intelligence and its use, including its impact on end-users. The company is taking preemptive action against these impacts and risks with the aid of a strong data protection and security culture that is based on processes and practices of a high standard.

In a human rights survey conducted by the company, Digia noted that actual or potential human rights risks to end-users relate to privacy. The human rights analysis and commitment are covered in more detail in Disclosure Requirement *S1-1 Policies related to own workforce*. The company has not identified any customer projects in which the primary end-users are children or other vulnerable groups that may be at greater risk or particularly vulnerable to adverse impacts. However, the company recognises that there may be individuals who have an absolute requirement for accessibility as the end-user of the services.

Policies related to consumers and end-users (S4-1)

Digia bases its operations on strong customer relationships, excellent professional skills, a comprehensive product and service offering, a broad network of partners and a sustainable business model. Compliance with the Code of Conduct is an integral part of this package. The code applies to both Digia and its subcontractors and network, and covers areas such as an excellent customer experience, open communications, data security and confidentiality. The Code of Conduct is described in more detail in Disclosure Requirement *G1-1 Corporate culture and business conduct policies*.

Other key policies and principles that apply to Digia's customers and end-users include:

- Human rights commitment
- ISO 27001 information security management system and its information security and data protection policies
- ISO 9001 quality management system
- AI policy and ethical principles for using artificial intelligence

Through the Code of Conduct, Digia ensures that the company operates responsibly and sustainably in its customer work, thereby minimising any potential risks and negative impacts on customers. During the reporting year, the company introduced a new AI policy based on ethical principles, earlier policies and ISO 27001 requirements.

There were no other significant changes to policies and operating principles during the reporting year.

The use of artificial intelligence has grown significantly in recent years. As Digia utilises AI in both its own operations and customer projects, taking AI-related ethical considerations and information security into account is an essential aspect of the company's business. The company is actively monitoring regulatory developments, including the recent EU AI Act, which will introduce standardised regulations for the use of artificial intelligence within the EU. The company will prepare itself for future changes by developing its operating models as necessary. Digia also wants to protect the privacy of individuals represented in its data when it comes to the use of artificial intelligence. Digia helps its customers to develop AI-based decision-making that safeguards the rights of individuals without any unjust discrimination or structural inequality. Digia's AI policy helps its personnel to understand and follow best practices, which in turn reduces legal and operational risks. The AI policy applies to all Digia personnel and subcontractors who use artificial intelligence in customer projects. It is a permanent policy that will be updated as necessary. The CTO and CTO Office are responsible for its implementation and supervision. The AI policy has been approved by the Management Team.

In its human rights commitment, Digia commits to respecting human rights in accordance with the UN's Universal Declaration of Human Rights, the UN Global Compact, and the International Labour Organisation's (ILO) Fundamental Principles and Rights at Work. The commitment covers all of Digia's stakeholders and has been approved by the company's Management Team. It is implemented by the HR team and supervised by the HR Director and General Counsel. The commitment includes processes and systems to manage any identified human rights risks that may also impact end-users, such as privacy-related risks.

Digia's security management system complies with the international ISO 27001 standard for information security management, and some of the company's businesses are ISO 27001 certified. All of Digia's businesses comply with the ISO 27001 standard's guidelines and security controls. The unit responsible for security (CSO Office) is responsible for security management at Group level, and security competence has also been mobilised in Digia's businesses. Digia's Management Team has approved the security management system, including its data security and data protection policies. The system covers Digia Plc and Digia Finland Ltd. The security management system aims to protect Digia's personnel, customers and end-users from potential security breaches. The purpose of the company's internal data protection policy is to define the procedures and responsibilities for handling personal data at Digia. The policy applies throughout Digia and covers all employees and management. Digia's data protection policy has been approved by the company's Management Team and communicated to the Board of Directors. The Data Protection Officer (DPO) is responsible for implementing the policy, and the Management Team oversees its enforcement. The policy is permanent in nature but is updated as necessary.

Digia does not have any direct interactions with consumers and end-users, as any contact with them occurs through its customers. The engagement process is described in more detail in Disclosure Requirement *S4-2 Processes for engaging with consumers and end-users about impacts*.

The company's high quality standards are based on its ISO 9001 quality certificate, which sets a specific quality level and steers continuous improvements in quality. The quality certificate demonstrates that Digia's processes meet the requirements that have been set for them, and that Digia can deliver compliant products and services and has the ability to improve its operations. The quality management system helps Digia to ensure that it meets both its customer expectations and the specified requirements. The quality management system has been approved by the Management Team. The quality unit is responsible for its implementation, and it is supervised by both the Quality Steering Group and the Management Team. The quality management system covers the entire Group, but the ISO 9001 quality certificate applies only to Digia Finland Ltd and the Group's support functions.

There have been no identified or reported cases of non-compliance at Digia concerning end-users, that is, no cases in which the UN Guiding Principles on Business and Human Rights, the ILO's Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises have been violated. Digia's policies related to customers and end-users are in line with the aforementioned internationally recognised human rights, labour rights, and standards.

Digia's risk management process contains procedures for managing potential negative impacts arising from information security. Risk management is described in greater detail in Disclosure Requirement *IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities*.

Processes for engaging with consumers and end-users about impacts (S4-2)

Digia's engagement with end-users is indirect and occurs through its customers as part of operational and strategic cooperation with customers. Digia's customers act as trustworthy agents who have an understanding of their own customers' and end-users' situations and needs. The methods and frequency of engagement between Digia and its customers will vary depending on both the project in question and the specific characteristics of the customer relationship. Account managers are in charge of engaging with the company's customers in accordance with the customer care model. The effectiveness of this engagement is monitored by regularly collecting customer feedback in various channels and reviewing the outcomes of collaboration. Digia's goal is to develop solutions that meet the expectations and needs of both the company's customers and its customers' customers, and to take these needs into account at different stages of collaboration.

Digia works with its customers to ensure digital security and accessibility, and particularly for end-users who are more vulnerable to negative impacts. Some of the services offered to customers are covered by the Digital Services Act.

Process to remediate negative impacts and channels for consumers and end-users to raise concerns (S4-3)

The most important processes for remediating negative impacts on end-users are related to potential breaches of data security or privacy.

Digia's security measures are mainly preemptive, so as to ensure that all of its solutions and services are as secure as possible for all users. The company has systematically developed its operating model and capabilities in this area over many years. However, if a data breach does occur in spite of these measures, Digia has a Major Incident Management (MIM) process in place to handle the situation and minimise any damage and its consequences. This process aims to restore normal service as quickly as possible, and to minimise any damage and negative impacts on business activities and end-users. The process also includes instructions on how to keep customers and individuals affected by the data breach informed about the situation.

Digia has appointed a data protection officer whose contact details are publicly available on the company's website, and who can be contacted directly. The Data Protection Officer supervises and advises on compliance with the requirements of the EU General Data Protection Regulation (GDPR) at Digia. The company also has a Whistleblowing channel, and the link is available both in the Code of Conduct and on Digia's website. Whistleblowing reports can also be made anonymously if desired. For more information about Digia's Whistleblowing channel and related policies, see the disclosure requirements *G1-1 Corporate culture and business conduct policies* and *G1-3 Prevention and detection of corruption and bribery.*

Digia expects its subcontractors and partners to commit to complying with the applicable data protection regulation and Digia's data protection requirements, as well as to cooperate in the event of a potential data security breach.

Digia has identified some potential accessibility needs or gaps in its customer interactions, and assesses what action is required on a customer-by-customer basis. The aim is for solutions to be accessible by default. If accessibility requirements are not being met, any required measures will be agreed upon in cooperation with the customer. During the reporting period, Digia has not received any complaints about accessibility from either its customers or their end-users.

The undertaking's actions to address material impacts on consumers and end-users, managing material risks and pursuing material opportunities related to consumers and end-users, and the effectiveness of those actions (S4-4)

Digia's most significant end-user risks are related to data security and data protection. Once again, the accessibility of digital services is seen primarily as a business opportunity.

Information security and data protection are an important part of Digia's business, and promoting digital security is one of the focus areas of its sustainability programme. The company maintains a high level of data protection and security through personnel training, administrative and technical controls, audits, and continually evolving processes.

Digia's security management system complies with the international ISO 27001 standard for information security management, and some businesses and sites are covered by this certificate. The standard provides organisations with a security management framework for implementing, administering and continuously improving information security management. The certificate is granted to organisations whose operations have been audited according to the standard. All of Digia's businesses comply with ISO 27001 security controls. Digia is constantly developing its information security and data protection practices on the basis of this standard.

All Digia employees must familiarise themselves with the company's information security policies and guidelines during the onboarding process, and they also complete an annual data security and data protection training package. The same goes for every subcontractor who works on the company's projects. The aim of the training is to prevent potential risks and manage their negative impacts. The Board of Directors has not completed the training. Digia provides plenty of up-to-date material concerning information security and data protection for internal use. The company has an information security and data protection tribe that shares relevant information and lessons learned. Digia reviews and updates its internal data security and protection policies and processes to ensure that they are both effective and up to date.

Digia always acts in accordance with the company's privacy policy. The privacy policy covers both Digia's own systems and procedures and those implemented for customers. Digia's daily work to promote data protection is based on close collaboration with customers in accordance with company processes and procedures. The company last reviewed and updated its privacy policy in May 2024. During the reporting year, Digia created a training course package to strengthen personnel's 'Privacy by Design' competence, and provided data protection training that was open to all employees.

Digia assesses all new services and systems that will be used in either its own or its customers' projects from a security and data protection perspective in accordance with the company's risk management process. Appropriate controls will be established if any potential risks are identified.

People have been appointed to take responsibility for data security and protection responsibilities at various levels of the organisation, and it is their task to monitor the positive and negative impacts of Digia's operations and report directly to the director in charge of security, who in turn reports to the CEO. There have been no human rights violations or damage involving end-users.

Any potential hazards or biases associated with artificial intelligence are being managed with the aid of rigorous risk assessments that can be used to identify risks and implement appropriate mitigation measures. Digia designs its AI solutions to be fair, transparent and respectful of privacy. AI decision-making must be explicable and accountable, and data used must be processed in accordance with data protection legislation.

Digia has published a set of *Ethical principles for utilising artificial intelligence*, and in 2024 these were supplemented with the publication of an AI policy. These policies and principles provide increased support to customers who are developing AI-based decision-making. The company actively monitors regulatory developments and proactively familiarises itself with the latest requirements and opportunities.

As regulation increases, improving accessibility in certain service areas will create new business opportunities for Digia. The Act on the Provision of Digital Services will introduce new application requirements for some private- and third-sector organisations.

Digia promotes accessibility by training its personnel and bringing accessibility issues to its customers' attention as necessary. While the need for accessibility often arises directly from customers, Digia seeks to promote the development of services that are accessible to everyone, both in its own operations and in cooperation with customers.

Accessibility audits can be used to determine a customer's current situation and identify any areas for improvement. Digia has provided additional accessibility training for UI designers during the reporting year, with the goal of increasing accessibility competence within the organisation.

This approach also supports UN Sustainable Development Goal 10: reduced inequalities. By ensuring that solutions are accessible and easy-to-use for all end-users, Digia can help to improve the user experience and support equality.

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S4-5)

One of the company's strategic sustainability objectives is to maintain a high level of data security and protection that is closely connected to the end-users of Digia's services. The goal is for at least 90 per cent of Digia employees to have completed security training by 2025. Progress is tracked annually. 94 per cent (95%) of personnel had completed this training in 2024. These figures cover Digia's Finnish companies. The company has updated its security training to reflect the revisions made to its ISO 27001 certified security management system. Security training seeks to ensure a good level of security competence among Digia personnel, with the aim of minimising the risk of data security breaches during customer work.

The Net Promoter Score (NPS) is the main measure of customer satisfaction and the customer experience. As part of Digia's proactive collaboration with its customers, the company engages in continuous dialogue about concerns relating to end-user needs. Digia's goal for 2025 is to improve NPS by 25 per cent compared to 2022. The target has been set for the 2023–2025 strategy period, and progress has been monitored and reported since the beginning of the period. In 2024, the NPS improved by 18.4 per cent (+23%) compared to 2022. The Net Promoter Score is calculated by subtracting the percentage of detractors from the percentage of promoters. This figure covers all of the Digia Group's Finnish companies.

Both goals were set in conjunction with the company's strategy work. They were decided on by Digia's Management Team and approved by the Board of Directors. Digia's internal stakeholders have been involved in target settings. The goal-setting process has also utilized information obtained from the customer feedback process.

ESG

- Reliable partner

Business conduct – G1

The role of the administrative, management and supervisory bodies (GOV-1)

Board of Directors and Committees

In addition to the Board duties prescribed by the Companies Act and other rules and regulations, Digia's Board of Directors is responsible for the items in its rules of procedure, observing the following general guidelines:

- Good governance requires that, instead of needlessly interfering in routine operations, the Board of Directors should concentrate on furthering the company's short- and long-term strategies.
- The Board's general duty is to steer the company's business with a view to maximising shareholder value in the long term while taking account of expectations set by various stakeholder groups.
- Board members are required to perform on the basis of sufficient, relevant and updated information to serve the company's interests.

More information about the roles and competences of the Board of Directors and Committees is provided in the General Disclosures under Disclosure Requirement *GOV-1 The role of the administrative, supervisory and management bodies.*

CEO and Management Team

The CEO is in charge of Digia's business operations and administration in accordance with the instructions and regulations issued by the Board of Directors, and as defined by the Finnish Limited Liability Companies Act. The Group Management Team supports the President & CEO in the routine management of the company.

More information about the roles and competences of the CEO and Management Team is provided in the General Disclosures under Disclosure Requirement *GOV-1 The role of the administrative, supervisory and management bodies.*

Corporate culture and business conduct policies (G1-1)

Digia's operations are governed by the Finnish Limited Liability Companies Act, regulations concerning publicly listed companies, the rules and regulations of Nasdaq Helsinki Oy, and Digia's Articles of Association. Our operations are also guided by the policies and operating principles approved by the Board of Directors or Group Management Team. The Corporate Governance guidelines outline the basic principles of Digia's management and control throughout the entire Group. It is approved by the Board of Directors and overseen by the General Counsel. The implementation of the guidelines are the responsibility of the Group's Board, Management Team, and other senior management.

Digia's sustainability is based on the company's Code of Conduct, which is approved by the Board of Directors, and the UN Sustainable Development Goals. The company is committed to respecting human rights in accordance with the UN's Universal Declaration of Human Rights, the UN Global Compact, and the International Labour Organisation's (ILO) Fundamental Principles and Rights at Work.

Compliance with the Code of Conduct and Digia's responsible way of working are integral to the company's strategy and instrumental to its business success. The Code of Conduct defines the principles that help Digia personnel make ethically sustainable decisions in their work. The Code of Conduct is permanent in nature, but will be updated as necessary. It was last updated in 2022. The code focuses on conducting sustainable business, protecting the environment, a healthy workplace community, respecting human rights, data protection, and ethical practices. Compliance with the Code of Conduct applies not only to Digia employees but also to subcontractors, partners and customers. The legal team is responsible for its implementation and the General Counsel for its supervision. The Code of Conduct has been approved by Digia's Management Team and the Board of Directors.

Digia also has a supplementary anti-bribery and anti-corruption policy that is based on the UN Convention against Corruption. This policy supplements Digia's Code of Conduct, in which Digia states its zero tolerance for all forms of bribery and corruption. It applies to everyone working at or for Digia. It is a permanent policy that will be updated as necessary. The latest update was made in 2021. The anti-bribery and anti-corruption policy has been approved by the Management Team and Board of Directors. It is implemented by the legal team and supervised by the General Counsel.

Digia has also supplemented these principles with detailed guidelines and policies in various subareas. Everything revolves around the cultural principles created in collaboration with Digia personnel. These principles are strongly present in everyday life and guide everyone's daily work. For more information about Digia's cultural principles, see Disclosure Requirement *S1-1 Policies related to own workforce.*

In accordance with the EU Whistle-blower Directive (EU2021/1937), the company has a Whistleblowing channel operated by a third party. This reporting channel is open to all Digia stakeholders. It enables all kinds of stakeholders to report potential violations of the Code of Conduct. The process for handling reports is described in more detail in Disclosure Requirement *G1-3 Prevention and detection of corruption and bribery.* Digia applies the Whistleblower Act, which provides protection for whistleblowers. Digia has not identified any internal activities that would be particularly vulnerable to corruption and bribery.

To help mobilise the Code of Conduct among personnel, the company has introduced mandatory training that must be refreshed on an annual basis. More information about training is provided in Disclosure Requirement *G1-3 Prevention and detection of corruption and bribery.*

Management of relationships with suppliers (G1–2)

Digia's relationships with its suppliers are described in more detail in section *S2 Workers in the value chain.*

Digia treats all of its suppliers equally, and has processes and guidelines in place to ensure that invoices are processed in accordance with payment terms.

Digia's invoice payment process has been described as part of a larger process description. Upon receipt of an invoice, the Group's financial administration will process the invoice and forward it to the recipient of the invoice for registration and approval. The invoice processing system will automatically remind the invoice handler of any unpaid invoices. The Group's financial administration will also send reminders about unpaid invoices as necessary.

Prevention and detection of corruption and bribery (G1–3)

Digia has a Whistleblowing channel through which a Digia employee or external person can report any suspected misconduct or violations of Digia's Code of Conduct, either anonymously or under their own name. Digia is committed to ensuring that no retaliatory measures will be taken against whistleblowers. The channel can be found here: https://whistleblower.digia.com.

Digia will handle the reports in its own separately appointed processing team. This processing team will consist of the Chair of the Board of Directors' Audit Committee, the General Counsel and a lawyer. If necessary, the process will move forward to the next review stage in accordance with the report's classification, led by the appointed Group Management Team member. The General Counsel informs twice a year the Audit Committee of any reports that have been received via the whistleblowing channel and how they have been handled.

The mobilisation of the Code of Conduct among personnel includes training that runs through Digia's Code of Conduct and other guidelines, and provides instructions on how Digia employees should act if, for example, they suspect misconduct in the company's business. The training is available in Finnish and English via Digia's e-learning platform. It is mandatory for all Digia employees, including senior executives, and must be repeated annually. The goal is for 90 per cent of personnel to complete annual training. 84 per cent of Digia personnel (84%) completed this training in 2024. Employees with long absences have been excluded from the figures and the figure does not include Top of Minds' employees.

Digia's anti-bribery and anti-corruption policy underlines that Digia takes bribery and corruption seriously, and sets out rules and guidelines to promote ethical and lawful behaviour throughout the Group. This policy is publicly available. The anti-bribery and anti-corruption policy is included in Digia's Code of Conduct training.

All Digia Group companies are committed to complying with the same, or a similar, code of conduct, and also to corresponding anti–bribery and corruption policies.

Confirmed incidents of corruption or bribery (G1–4)

Digia had no confirmed cases of bribery or corruption in 2024.

Political influence and lobbying activities (G1–5)

Digia does not participate in any political or other lobbying activities through donations or sponsorship. The Company also has no legal obligation to be a member of any lobbying organisation. During the reporting period, no members appointed to administrative, management or supervisory bodies had held a similar position in public administration during the preceding two years.

Payment practices (G1–6)

The average time that Digia takes to pay an invoice, its average payment terms, and a breakdown by main categories of suppliers are shown in the table below. Digia has not defined any category-specific standard payment terms for its suppliers.

The category *All supplier groups* contains information about all of the invoices paid by the Group.

Digia is not currently involved in any ongoing legal proceedings for late payments.

Supplier category	Average payment time, days	Average payment terms, days
Subcontracting	32	30
Software and cloud services	33	30
IT service providers	20	18
All supplier groups	25	22

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		G1-5	Political influence and lobbying activities	62
		G1-6	Payment practices	62

List of data points based on other EU legislation

Disclosure requirement	Data point	Description	Reference to the Sustainable Finance Disclosure Regulation	Reference to Pillar 3	Reference to Benchmark Regulation reference	Reference to European Climate Law	Page
ESRS 2 GOV-1	21 (d)	Board's gender diversity	●		●		24
ESRS 2 GOV-1	21 (e)	Percentage of board members who are independent			●		24
ESRS 2 GOV-4	30	Statement on due diligence	●				26
ESRS 2 SBM-1	40 (d) i	Involvement in activities related to fossil fuel activities	●	●	●		Not material
ESRS 2 SBM-1	40 (d) ii	Involvement in activities related to chemical production	●		●		Not material
ESRS 2 SBM-1	40 (d) iii	Involvement in activities related to controversial weapons	●		●		Not material
ESRS 2 SBM-1	40 (d) iv	Involvement in activities related to cultivation and production of tobacco			●		Not material
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050				●	Not material
ESRS E1-1	16 (g)	Undertakings excluded from Paris-aligned Benchmarks		●	●		Not material
ESRS E1-4	34	GHG emission reduction targets	●	●	●		41–42
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	●				Not material
ESRS E1-5	37	Energy consumption and mix	●				42
ESRS E1-5	40–43	Energy intensity associated with activities in high climate impact sectors	●				Not material
ESRS E1-6	44	Gross Scope 1, 2, 3 and Total GHG emissions	●	●	●		43-44
ESRS E1-6	53–55	Gross GHG emissions intensity	●	●	●		44
ESRS E1-7	56	GHG removals and carbon credits				●	Not material
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			●		Not material
ESRS E1-9	66 (a); 66 (c)	Disaggregation of monetary amounts by acute and chronic physical risk; Location of significant assets at material physical risk		●			Not material
ESRS E1-9	67 (c)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes		●			Not material
ESRS E1-9	69	Degree of exposure of the portfolio to climate-related opportunities			●		Not material
ESRS E2-4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	●				Not material
ESRS E3-1	9	Water and marine resources	●				Not material
ESRS E3-1	13	Dedicated policy	●				Not material
ESRS E3-1	14	Sustainable oceans and seas	●				Not material
ESRS E3-4	28 (c)	Total water recycled and reused	●				Not material
ESRS E3-4	29	Total water consumption in m3 per net revenue on own operations	●				Not material
ESRS 2 - IRO 1 -E4	16 (a) i	Biodiversity sensitive areas	●				Not material
ESRS 2 - IRO 1 -E4	16 (b)	Land impacts	●				Not material

Disclosure requirement	Data point	Description	Reference to the Sustainable Finance Disclosure Regulation	Reference to Pillar 3	Reference to Benchmark Regulation reference	Reference to European Climate Law	Page
ESRS 2 - IRO 1 -E4	16 (c)	Threatened species	●				Not material
ESRS E4-2	24 (b)	Sustainable land / agriculture practices or policies	●				Not material
ESRS E4-2	24 (c)	Sustainable oceans / seas practices or policies	●				Not material
ESRS E4-2	24 (d)	Policies to address deforestation	●				Not material
ESRS E5-5	37 (d)	Non-recycled waste	●				Not material
ESRS E5-5	39	Hazardous waste and radioactive waste	●				Not material
ESRS 2 - SBM-3 - S1	14 (f)	Risk of incidents of forced labour	●				48
ESRS 2 - SBM-3 - S1	14 (g)	Risk of incidents of child labour	●				48
ESRS S1-1	20	Human rights policy commitments	●				48-50
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions			●		48-50
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings	●				48-50
ESRS S1-1	23	Workplace accident prevention policy or management system	●				50
ESRS S1-3	32 (c)	Grievance/complaints handling mechanisms	●				51, 62
ESRS S1-14	88 (b) ja (c)	Number of fatalities and number and rate of work-related accidents	●		●		54
ESRS S1-14	88 (e)	Number of days lost to injuries, accidents, fatalities or illness	●				Not material
ESRS S1-16	97 (a)	Unadjusted gender pay gap	●		●		55
ESRS S1-16	97 (b)	Excessive CEO pay ratio	●				55
ESRS S1-17	103 (a)	Incidents of discrimination	●				55
ESRS S1-17	104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD	●		●		55
ESRS 2 - SBM-3 - S2	11 (b)	Significant risk of child labour or forced labour in the value chain	●				Not material
ESRS S2-1	17	Human rights policy commitments	●				55
ESRS S2-1	18	Policies related to value chain workers	●				55–56
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	●		●		55
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions			●		55
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	●				56–57
ESRS S3-1	16	Human rights policy commitments	●				Not material
ESRS S3-1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles or/and OECD guidelines	●		●		Not material
ESRS S3-4	36	Human rights issues and incidents	●				Not material
ESRS S4-1	16	Policies related to consumers and end-users	●				57–58
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	●		●		57–58
ESRS S4-4	35	Human rights issues and incidents	●				59–60

Disclosure requirement	Data point	Description	Reference to the Sustainable Finance Disclosure Regulation	Reference to Pillar 3	Reference to Benchmark Regulation reference	Reference to European Climate Law	Page
ESRS G1-1	10 (b)	United Nations Convention against Corruption	●				61-62
ESRS G1-1	10 (d)	Protection of whistleblowers	●				62
ESRS G1-4	24 (a)	Fines for violation of anti-corruption and anti-bribery laws	●		●		62
ESRS G1-4	24 (b)	Standards of anti-corruption and anti- bribery	●				62

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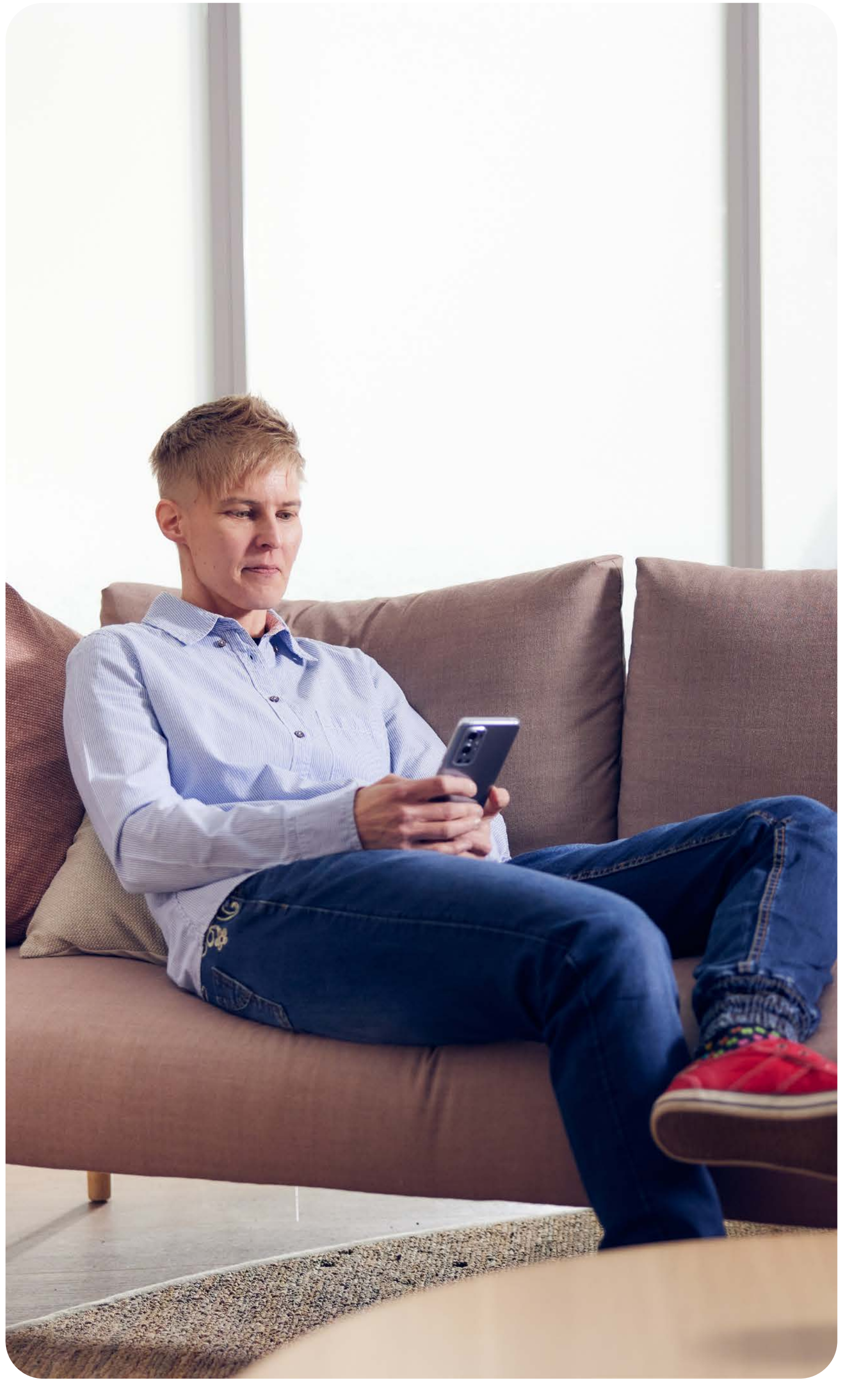


1 Main statements in the consolidated financial statements (IFRS)

1.1 Consolidated income statement

EUR 1,000	Note	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
Net sales	3.2	205,672	192,087
Other operating income	3.4	117	145
Materials and services		-34,332	-33,270
Depreciation, amortisation and impairment	3.6	-7,200	-7,256
Personnel expenses	4.1, 4.2, 4.4, 7.6	-123,670	-115,603
Other operating expenses	3.7	-22,379	-22,267
		-187,464	-178,251
Operating profit		18,208	13,835
Financial income	6.5	524	53
Financial expenses	6.5	-1,794	-1,459
		-1,270	-1,405
Profit before taxes		16,938	12,430
Income taxes	3.8	-3,647	-2,558
Net profit		13,291	9,872
Earnings per share, EUR, undiluted	3.10	0.50	0.37
Earnings per share, EUR, diluted		0.50	0.37
Distribution of income for the period:			
Parent company shareholders		13,291	9,868
Non-controlling interests		–	4

1.2 Consolidated statement of comprehensive income

	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
Net profit	13,291	9,872
Other comprehensive income items:		
Items that may later be reclassified as profit or loss:		
Exchange differences on translation of foreign operations	-1,009	728
Total comprehensive income	12,282	10,600
Distribution of total comprehensive income:		
Parent company shareholders	12,282	10,596
Non-controlling interests	–	4

1.3 Consolidated balance sheet

EUR 1,000	Note	31 Dec 2024	31 Dec 2023
ASSETS			
Non-current assets			
Goodwill	7.1	92,779	93,295
Intangible assets	7.3	9,647	13,338
Tangible assets	7.2	466	481
Right-of-use assets	7.4	3,124	4,634
Financial assets recognised at fair value through profit or loss	6.2	482	482
Non-current receivables	6.2	453	593
Deferred tax assets	3.9	297	290
		107,249	113,113
Current assets			
Accounts receivable and other receivables	5.2, 6.2	38,006	42,639
Cash and cash equivalents	6.2	18,232	12,404
		56,238	55,044
Total assets		**163,486**	**168,157**

EUR 1,000	Note	31 Dec 2024	31 Dec 2023
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity attributable to parent-company shareholders			
Share capital		2,088	2,088
Other reserves		5,204	5,204
Unrestricted shareholders' equity reserve		42,081	42,081
Translation difference		-2,542	-1,533
Retained earnings		23,597	17,713
Net profit		13,291	9,868
		83,718	75,420
Total shareholders' equity	6.7	**83,718**	**75,420**
Non-current liabilities			
Deferred tax liabilities	3.9	1,993	2,534
Non-current advances received		0	15
Financial liabilities	6.3	14,000	20,572
Lease liabilities		1,036	1,913
Other non-current liabilities	3.5	0	3,480
		17,029	28,515
Current liabilities			
Accounts payable and other liabilities	5.2	24,414	27,989
Accruals and deferred income		23,487	21,543
Lease liabilities	6.4	2,266	3,117
Other financial liabilities	6.3	12,572	11,572
		62,739	64,222
Total liabilities		**79,768**	**92,736**
Total shareholders' equity and liabilities		**163,486**	**168,157**

1.4 Consolidated cash flow statement

EUR 1,000	Note	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
Cash flow from operations:			
Net profit		13,291	9,868
Adjustments to net profit	7.5	12,702	11,744
Change in working capital	5.1	853	-3,379
Change in other receivables and liabilities		1,911	1,467
Interest paid		-1,754	-1,070
Interest income		402	263
Taxes paid		-2,355	-1,920
Cash flow from operations		25,049	16,973
Cash flow from investments:			
Purchases of tangible and intangible assets		-289	-56
Acquisition of subsidiaries, net of cash and cash equivalents at the time of acquisition	3.5	–	-7,251
Additional purchase prices of subsidiaries		-5,116	-9,059
Cash flow from investments		-5,405	-16,366

EUR 1,000	Note	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
Cash flow from financing:			
Repayment of lease liabilities	6.3	-3,570	-3,478
Repayment of current loans	6.3	-11,572	-8,319
Withdrawals of non-current loans	6.3	6,000	15,000
Acquisition of treasury shares		–	-1,237
Dividends paid		-4,501	-4,515
Cash flow from financing		-13,643	-2,549
Change in cash and cash equivalents		6,001	-1,942
Cash and cash equivalents at beginning of period		12,404	14,338
Change in cash and cash equivalents		6,001	-1,942
Effects of changes in foreign exchange rates		-174	9
Cash and cash equivalents at end of period	6.2	18,232	12,404

1.5 Changes in shareholders' equity

EUR 1,000	Note	Share capital	Unrestricted share-holders' equity reserve	Other reserves	Translation difference	Retained earnings	Non-controlling interests	Total shareholders' equity
Shareholders' equity, 1 Jan 2023		**2,088**	**42,081**	**5,204**	**-2,261**	**23,923**	**53**	**71,087**
Comprehensive income								
Net profit (+) / loss (–)	1.1					9,868	4	9,872
Other comprehensive income items	1.2	–	–	–	728	–	–	728
Total comprehensive income		**–**	**–**	**–**	**728**	**9,868**	**4**	**10,600**
Transactions with shareholders								
Share-based transactions settled in equity	4.4	–	–	–	–	-217	–	-217
Acquisition of non-controlling interests		–	–	–	–	-242	-56	-298
Dividends		–	–	–	–	-4,515		-4,515
Acquisition of treasury shares		–	–	–	–	-1,237	–	-1,237
Transactions with shareholders, total						**-6,210**	**-56**	**-6,267**
Shareholders' equity, 31 Dec 2023		**2,088**	**42,081**	**5,204**	**-1,533**	**27,581**	**0**	**75,420**

EUR 1,000	Note	Share capital	Unrestricted share-holders' equity reserve	Other reserves	Translation difference	Retained earnings	Non-controlling interests	Total shareholders' equity
Shareholders' equity, 1 Jan 2024		**2,088**	**42,081**	**5,204**	**-1,533**	**27,581**	**–**	**75,420**
Comprehensive income								
Net profit (+) / loss (–)	1.1					13,291		13,291
Other comprehensive income items	1.2	–	–	–	-1,009			-1,009
Total comprehensive income		**–**	**–**	**–**	**-1,009**	**13,291**	**–**	**12,282**
Transactions with shareholders								
Share-based transactions settled in equity	4.4	–	–	–	–	585	–	585
Dividends		–	–	–	–	-4,501		-4,501
Other items		–	–	–	–	-68	–	-68
Transactions with shareholders, total						**-3,984**	**–**	**-3,984**
Shareholders' equity, 31 Dec 2024		**2,088**	**42,081**	**5,204**	**-2,542**	**36,888**	**0**	**83,718**

2 General disclosures

2.1 Basic information on the Group

Digia is a software and service company that combines technological possibilities and human capabilities to build smarter businesses and societies – and a sustainable future. Our mission is to keep our customers at the forefront of digital evolution. There are more than 1,500 of us working globally with our customers.

Digia has a good customer base, extensive product and service offering, 24/7 service maintenance and support, and a credible business size. Digia is a trusted partner to its customers in their digitalisation and AI transformation. We forge long-term customer relationships and develop them to grow with our customers.

Digia operates in ten locations in Finland – Helsinki, Joensuu, Jyväskylä, Kuopio, Lahti, Oulu, Rauma, Tampere, Turku and Vaasa – as well as in Stockholm and Malmö in Sweden, and Hengelo in the Netherlands. The company is listed on NASDAQ Helsinki (DIGIA). The Group's parent company Digia Plc is a Finnish public limited liability company established under the laws of Finland. Its Business ID is 0831312-4 and it is domiciled in Helsinki. Its registered address is Atomitie 2A, 00370 Helsinki.

2.2 Approval by the Board of Directors

The Board of Directors approved the financial statements for publication on 25 February 2025. According to the Finnish Companies Act, shareholders have the right to approve or reject the financial statements at the General Meeting held after publication. Digia Plc's Annual General Meeting will be held on 27 March 2025.

2.3 Accounting policies

The consolidated financial statements have been prepared in compliance with the International Financial Reporting Standards (IFRS), observing the IAS and IFRS standards, as well as SIC and IFRIC interpretations valid on 31 December 2024.

The consolidated financial statements are based on original acquisition costs. In the fair value hierarchy, the highest level is assigned to quoted (unadjusted) prices for identical assets or liabilities in active markets (Level 1 inputs), and the lowest to unobservable inputs (Level 3 inputs).

The consolidated financial statements include the parent company, Digia Plc, and all of its subsidiaries. Digia wholly owns all of its subsidiaries. Acquired subsidiaries are consolidated using the acquisition method, according to which the assets and liabilities of the acquired entity are measured at fair value at the time of acquisition, and the remaining difference between the acquisition price and the acquired shareholders' equity constitutes goodwill. Subsidiaries acquired during the fiscal period are included in the consolidated financial statements as from when control was gained, while divested subsidiaries are included until the date of divestment. No subsidiaries were divested in the 2024 and 2023 fiscal periods.

The consolidated financial statements are primarily presented in thousands of euros and the figures have been rounded to the nearest thousand euros, which means that the sum of individual figures may differ from the totals given.

Items referring to the earnings and financial position of the Group's units are recognised in the currency that is the main currency of the unit's primary operating environment ('functional currency'). The consolidated financial statements are given in euros, which is the operating and presentation currency of the parent company. The Group has the following foreign subsidiaries: six in Sweden, one in Denmark and one in the Netherlands.

Receivables and liabilities denominated in foreign currencies have been converted into euro at the exchange rate in effect on the balance sheet date. Gains and losses arising from foreign currency transactions are recognised through profit or loss. Foreign exchange gains and losses from operations are included in the corresponding items above EBIT. The income statements of the foreign group companies have been converted into euro at the weighted average exchange rate for the period, and the balance sheets have been converted at the exchange rate quoted on the balance sheet date. Translation differences arising from the application of the acquisition method are treated as items adjusting the consolidated comprehensive income statement.

In the 2023 fiscal year, the Group had non-controlling interests through Climber Benelux B.V. until 30 August 2023, and the result for 2023 is therefore distributed between parent company shareholders and non-controlling interests.

Digia presents the other accounting principles applied in the financial statements in the notes to the financial statement items in question. The table below lists the Group's accounting policies, information about which note they are presented in and a reference to the relevant IFRS standard.

Accounting policy	Note		IFRS standard
Segment reporting	3.1	Reportable segments	IFRS 8
Recognition of net sales	3.2	Net sales	IFRS 15
Provisions	3.3	Provisions	IAS 37
Government grants	3.4	Other operating income	IAS 20
Business combinations and divestments	3.5	Acquired business operations	IFRS 3, IFRS 10
Research and development costs	3.7	Other operating expenses	IAS 38
Current tax	3.8	Current tax	IAS 12
Deferred tax assets and liabilities	3.9	Deferred tax	IAS 12
Earnings per share	3.10	Earnings per share	IAS 33
Pension liabilities	4.2	Pension liabilities	IAS 19
Accounts receivable and other receivables	6.2	Accounts receivable and other receivables	IFRS 9, IFRS 15
Costs arising from the acquisition of customer contracts	6.2	Other receivables	IFRS 15
Financial assets	6.2	Financial assets recognised at fair value through profit or loss	IAS 32, IFRS 9, IFRS 7
Interest-bearing liabilities	6.3	Financial liabilities	IFRS 9, IFRS 13
Lease liabilities	6.4	Lease liabilities	IFRS 16
Share-based remuneration	4.4, 6.7	Personnel expenses, Equity	IFRS 2
Goodwill	7.1	Goodwill	IFRS 3, IAS 36
Intangible assets	7.3	Intangible assets	IAS 38, IAS 36
Property, plant and equipment	7.2	Property, plant and equipment	IAS 16, IAS 36
Right-of-use assets	7.4	Lease obligations and commitments	IFRS 16
Impairment	7.5	Impairment of assets	IAS 36
Related party transactions	7.6	Related party information	IAS 24

The Digia Group complies with the agenda decision issued by the Interpretations Committee (IFRIC) on the accounting treatment of configuration or customisation costs in a cloud computing arrangement (IAS 38 Intangible Assets).

Accounting estimates and judgements applied in the preparation of the financial statements

The preparation of financial statements in accordance with IFRS requires the Group's management to make accounting estimates and apply judgements and assumptions that have an effect on the application of the accounting principles and the carrying amounts of assets, liabilities, income and expenses. These estimates and assumptions are based on previous experience and other justifiable assumptions that are believed to be reasonable under the circumstances and that serve as a foundation for evaluating the items included in the financial statements.

Digia's management has assessed the climate's potential impacts on accounting estimates and judgements. Management has estimated that climate-related factors will not have a material impact on the items presented in the financial statements at this time. Management monitors changes in legislation and will update its estimates and judgements as necessary.

These estimates and judgements are reviewed regularly, but the actual results may differ from the estimates and solutions. The assumptions underlying management's estimates and judgements are presented in the following notes:

	Note
Revenue recognition: Degree of completion of a project recognised as revenue over time	3.2
Revenue recognition: Principal or agent	3.2
Fair values of net assets acquired in business combinations and additional purchase prices	3.5
Main assumptions used in impairment testing of goodwill	7.1
Cloud service configuration and customisation costs	7.3
Leases	6.4, 7.4

2.4 New and amended standards

Applicable new and amended standards as of 1 Jan 2024

Digia adopted the following new standards and amendments as of the fiscal year beginning 1 January 2024.

Amendments to IAS 1 Presentation of Financial Statements

The amendments clarify that covenants that must be fulfilled after the reporting date do not affect the classification of debt as current or non-current on the reporting date. The amendments require the disclosure of such covenants in the Notes to the Financial Statements.

New and amended standards to be applied in future financial periods

Digia will adopt the following amendments to standards as of the fiscal year beginning 1 January 2025, as long as they have been approved by the planned adoption date. The amendments are not expected to have a material impact on the information contained in the consolidated financial statements.

Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures

The amendments eliminate an inconsistency between current guidance on consolidation and the equity method, and require that gains be recognised in full when the transferred assets constitute a business as defined in IFRS 3 Business Combinations.

Amendments to IAS 21 – Estimating the spot exchange rate when a currency is not exchangeable

The amendment is taken into account when a transaction or business function is handled in a foreign currency that is not exchangeable to another currency on the measurement date for that purpose.

Digia will adopt the following amendments to standards as of the fiscal year beginning 1 January 2026, as long as they have been approved by the planned adoption date. The amendments are not expected to have a material impact on the information contained in the consolidated financial statements.

Amendments to IFRS 9 and IFRS 7 – Nature-dependent electricity

Amendments have been made to the application of the "own use" exception under IFRS 9 and the hedge accounting requirements concerning nature-dependent electricity, such as wind and solar power. In addition, IFRS 7 has been amended to introduce specific disclosure requirements. These amendments only apply to contracts that expose an entity to variability in the underlying amount of electricity because the source of electricity generation depends on uncontrollable natural conditions.

Digia will adopt the following amendments to standards as of the fiscal year beginning 1 January 2027, as long as they have been approved by the planned adoption date. The amendments are not expected to have a material impact on the information contained in the consolidated financial statements.

Amendments to IFRS 18

The earlier IAS 1 is replaced with the new IFRS 18, which concerns the presentation and disclosure of information in financial statements. The new standard introduces changes to issues such as the structure of the statement of profit or loss, and enhances the requirements for aggregating and disaggregating disclosed information in both the primary financial statements and the notes. Another new requirement concerns the disclosure of management-defined performance measures in the notes.

3 Financial development

3.1 Reportable segments

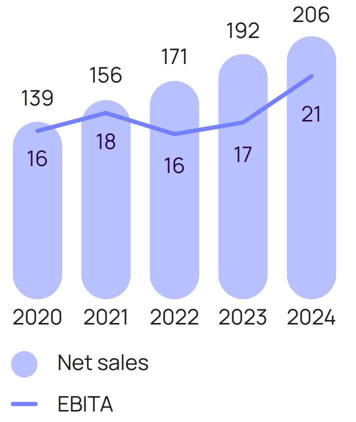
Digia reports on its business operations as one segment. In 2024, Digia comprised four service areas: Digital Solutions, Business Platforms, Financial Platforms and Managed Solutions. These service areas have similar financial characteristics and are also similar in terms of the nature of product and service production processes, type of customer, geographical characteristics, and methods used in product or service distribution or service provision. For this reason, these service areas have been combined into a single reporting segment.

The table below presents the combined net sales and balance sheet value of the companies in the main market areas.

EUR 1,000	Finland	Sweden	Other countries	Total
Net sales	181,453	22,045	2,173	205,672
Balance sheet	126,315	35,908	1,264	163,486

Net sales and operating profit (EBITA)

EUR million



3.2 Net sales

Digia's net sales in the review period amounted to EUR 205.7 (192.1) million, of which Finland accounted for EUR 180.9 (175.4) million and other countries for EUR 24.7 (17.1) million. The disclosed figure for consolidated net sales is the same as the net sales reported in the Group's Sustainability Report.

The net sales of external customers are divided according to the customer's domicile as follows:

EUR 1,000	2024	2023
Finland	180,924	174,980
Sweden	22,125	14,350
Netherlands	2,020	2,064
Other countries	602	692
Total	205,672	192,087

Net sales distribution

EUR 1,000	2024	2023
Service and maintenance business	102,542	107,500
share of net sales	49.9%	56.0%
Project business	103,129	84,600
share of net sales	50.1%	44.0%

Net sales from the product business amounted to EUR 23.8 (23.2) million, representing 11.6 (12.1) per cent of total net sales. The product business comprises Digia's own licences, the licence sales of its partners, as well as licence maintenance.

Net sales of work performed by people accounted for 47.2 (42.2) per cent of the company's net sales.

Of net sales, EUR 7.7 (7.0) million were recognised in one instalment and EUR 198.0 (185.1) million over time.

At the end of the reporting period, Digia reports the total transaction price of uncompleted performance obligations insofar as the agreement is for several years and not charged on an hourly basis. On 31 December 2024, Digia had an order book of EUR 1.3 (2.1) million for multiyear projects with a fixed or target price. The order book for service and maintenance agreements has not been reported, as it cannot be unambiguously determined. In service and maintenance agreements, Digia is responsible for support services, maintenance, small-scale developments and/or development of specified systems. These agreements are recognised as income on a monthly basis throughout their lifetime in the form of a fixed monthly payment and an additional variable portion. The variable portion depends on the customer's use of the service, and this typically forms the majority of the monthly charge.

On 31 December 2024, the balance sheet included EUR 0.5 (0.8) million in advance payments for projects in which income is recognised over time. In 2024, EUR 0.5 million has been recognised as income from advance payments received in 2023.

In 2024, no single customer accounted for more than 10 per cent of consolidated net sales.

Accounting principle – recognition in net sales

Digia's performance obligations are work performed by people, licences of own products, maintenance of own products, third-party products, maintenance of third-party products as well as services. The typical payment terms for all performance obligations are 14–60 days from the invoice date. Digia does not have any significant financing components in customer contracts. The warranty period for customer-specific materials in performance obligations is mainly six months from the approval of the delivery. Both parties typically have the right to cancel the agreement if a party commits a material breach of the agreement and has not remedied said breach within 30 days. When an agreement is cancelled, the parties are to return any deliverables received.

Work performed by people

Work performed by people in specification and delivery projects is recognised as revenue over time in accordance with progress. Long-term projects with a fixed price are recognised over time on the basis of their percentage of completion once the outcome of the project can be reliably estimated. The percentage of completion is determined as the proportion of costs arising from work performed for the project up to the date of review in the total estimated project costs. If estimates of the project change, the recognised sales and profit/margin are amended in the period during which the change becomes known and can be estimated for the first time.

Digia fulfils its performance obligation with respect to work performed by people in accordance with progress. The warranty period in expert service agreements is mainly 30 days from service delivery.

Projects that include a specification phase after which the customer has the option of withdrawing from the project are recognised as revenue over time. The delivery project will not be recognised as revenue until the specification project has been approved.

Own products

The licences of own products comprise a performance obligation that is to be recognised as revenue at a point in time. Revenue is recognised in one instalment when the product has been delivered, that is, when the licences have been installed in the customer's testing environment. Digia has fulfilled its performance obligation once installation has been completed.

SaaS (software as a service) agreements for the company's own products are recognised as revenue over time during the contract period.

Maintenance fees for Digia product licences are recognised as revenue over time during the contract period.

Digia provides a six-month warranty for its own products, effective as from the date when the delivery of the completed software has been approved.

Third-party products

With respect to third-party licences, the actual responsibility for the features, further development and maintenance of the product is specified in the agreement. If Digia is responsible, revenue from third-party products is recognised on a gross basis in one instalment once the product licence has been installed in the customer's test environment. If a third party holds actual responsibility for the afore-mentioned matters, revenue is recognised on a net basis, that is, the margin or commission is recognised in net sales upon installation.

Revenue accrued from maintenance of third-party products and from SaaS agreements is recognised over time either on a gross basis (Digia has actual responsibility for maintenance) or on a net basis (a third party is responsible for maintenance).

The warranty for third-party software is determined according to the terms of the third-party software.

Services

Revenue from service agreements is recognised over time during the agreement period. If a service agreement includes a ticket- or hour-based performance obligation, revenue is recognised over time in accordance with progress.

Significant estimate or judgement:

Revenue recognition: degree of completion of a project recognised as revenue over time

A project recognised as revenue over time is recognised as income and expenses on the basis of degree of completion once the outcome of the project can be reliably estimated. Recognition is based on estimates of expected income and expenses of the project and reliable measurement and estimation of project progress. If estimates of the project's outcome change, the recognised sales and profit/margin are amended in the period during which the change becomes known and can be estimated for the first time. An onerous contract is immediately recognised as an expense. Additional information is provided in Note 3.3 Provisions.

Recognition: principal or agent

Digia can act as either a principal or agent for third-party products. Whether the company is deemed to be acting as a principal or agent for third-party products is based on Digia management's analysis of the legal form and factual content of the agreements made between the company and its suppliers. With respect to factual content, the decisive factor is Digia's role and responsibility towards the end customer. If Digia is responsible, revenue is recognised from these products in one instalment on a gross basis once the installation environment has been completed. Maintenance revenue will also be recognised on a gross basis, but over time. If a third party holds actual responsibility, Digia only recognises the margin or commission in net sales.

3.3 Provisions

Unprofitable agreements

The Group had no unprofitable projects on the balance sheet date of 31 December 2024 (31 Dec 2023).

Accounting principle – provisions

A provision is recognised when the Group has a legal or factual obligation based on previous events, the realisation of a payment obligation is probable and the amount of the obligation can be reliably estimated.

A loss provision is created for fixed-price projects if it becomes apparent that the obligatory expenditure on the fulfilment of project obligations will exceed the benefits to be gained from the agreement. The loss is recognised in the period when it becomes known and can be estimated for the first time. Loss provisions are reversed in accordance with the extent and timing of incurred expenses.

3.4 Other operating income

EUR 1,000	2024	2023
Other income	117	145
Total	117	145

Other income primarily consists of rental income.

Accounting principle – government grants

Government grants received as compensation for costs are recognised in the income statement at the same time as the expenses related to the target of the grant are recognised as expenses. Grants of this kind are presented under other operating income.

3.5 Acquired business operations

Business operations acquired during the 2024 fiscal year

No acquisitions were made in the 2024 fiscal year.

Business operations acquired during the 2023 fiscal year

One acquisition was carried out in the 2023 fiscal year.

Digia acquired the entire share capital of Top of Minds AB on 2 October 2023. The Top of Minds Group includes Top of Minds Top AB, Top of Minds Accelerate AB, Top of Minds Drive AB, Top of Minds Go AB and Top of Minds Steam AB. Top of Minds is a profitably growing Swedish IT consulting and service company that was established in 2011. It provides high-quality services for data and analytics consulting, integrations, e-commerce and project management. At the time of the transaction, Top of Minds AB had 63 employees at its Stockholm office.

Total fair values of the acquired business on the acquisition date:

EUR 1,000	
Property, plant, and equipment, and intangible assets	89
Accounts receivable and other receivables	2,407
Cash and cash equivalents	3,303
Total assets	5,799
Accounts payable and other liabilities	2,331
Total liabilities	2,331
Deferred tax	517
Value of customer contracts	2,510
Assets and liabilities	3,468
Goodwill	7,132
Acquisition cost	12,592

Cash flow effect of the acquired businesses:

EUR 1,000	
Total purchase price	-12,592
Cash and cash equivalents	3,303
Additional purchase price	2,336
Acquisition-related costs and taxes	-126
Net cash flow of acquisition	-7,079

The purchase price was paid at the time of acquisition in cash, with the exception of estimated additional contingent amounts subsequently payable in cash. The purchase price of the acquisition in the 2023 fiscal year was EUR 12.6 million. Assets and liabilities totalled EUR 3.5 million in the acquisition cost calculations. Acquisitions had an impact of EUR 3.2 million on the Digia Group's net sales in the 2023 fiscal year and EUR 0.6 million on the result for the period.

Accounts receivable consist of the ordinary receivables of the acquired companies, whose fair values are estimated to correspond to their book values. According to the company's estimate, the accounts receivable will be paid in full. Digia's goodwill grew by EUR 7.1 million as a result of the acquisition. Goodwill consisted of the value of acquired market share, business expertise and expected synergies. Additional information on goodwill is presented in Note 7.1. Goodwill is not tax-deductible.

The business acquired in 2023 was not of substantial relevance to the Group as a whole. If the businesses acquired during the fiscal year had been included in Digia's consolidated accounts for the entire year, the consolidated net sales in 2023 would have amounted to about EUR 202.8 million and the operating result to EUR 15.3 million.

Change in contingent liabilities of acquired companies

The company has paid additional purchase prices for its acquisitions in the amount of EUR 14.2 million in 2023–2024.

EUR 1,000	2024	2023
Contingent liabilities 1 Jan	7,564	13,804
New acquisitions	–	2,336
Additional purchase price payments	-5,116	-9,059
Increase in value	1,688	1,231
Decrease in value	–	-748
Contingent liabilities 31 Dec	4,135	7,564

Sensitivity analysis of contingent additional purchase prices of acquired companies

Contingent purchase price liability	Valuation method	Value under consideration	Weighted average	Fair value sensitivity
Procurement 1	Discounted cash flows	EBIT	3,671.7	A 10% decrease in the value under consideration would not affect the fair value. A 10% rise in the value under consideration would not affect the fair value.
		Discount rate	17.7%	A 5 percentage point fall in the value under consideration would increase the fair value by EUR 60.2 thousand. A 5 percentage point rise in the value under consideration would decrease the fair value by EUR 125.2 thousand.
Procurement 2	Discounted cash flows	EBIT	4,637.3	A 5% fall in the remaining value under consideration would decrease the fair value by EUR 152.3 thousand. A 10% rise in the remaining value under consideration would not significantly affect the fair value.
		Discount rate	5.0%	A 3 percentage point fall in the value under consideration would not significantly affect the fair value. A 5 percentage point rise in the value under consideration would decrease the fair value by EUR 33.4 thousand.

Acquisition of an additional holding in Climber Benelux B.V.

On 12 July 2023, the Group acquired the remaining 20% of shares in Climber Benelux B.V., which then became a fully owned subsidiary. Non-controlling interests were paid EUR 298 thousand.

EUR 1,000	
Acquisition of an additional holding in Climber Benelux B.V.	
Purchase price paid in cash	298
Value of non-controlling interests	-56
Difference recognised in retained earnings	242

Accounting principle – business combinations

All business combinations are accounted for using the acquisition method. The purchase price consists of a share paid at the time of acquisition and any additional purchase price payable later. Such additional purchase prices are paid in cash.

Identifiable assets acquired and liabilities assumed in business combinations are measured at their fair value at the time of acquisition. The amount of the purchase price that exceeds the fair value of acquired net assets is recognised as goodwill. Changes in the value of the additional purchase price (liability item) are recognised through profit or loss. The exception to this is a situation in which additional information has been received about the financial position at the time of acquisition and this has an effect on the acquisition price. In this case, the change in the acquisition price is recognised by adjusting the acquisition cost calculation. Acquisition-related costs are recognised as expenses when incurred and are presented under other operating expenses in the consolidated income statement.

Non-controlling interests in the acquired subsidiary are measured as a relative share of the fair value.

In a phased acquisition, the earlier holding is measured at fair value and the resulting gain or loss is recognised through profit or loss.

Significant estimate

Fair values of net assets acquired in business combinations and additional purchase prices

The purchase price, additional purchase price, if any, and assets and liabilities acquired in business combinations are measured at fair value.

The fair value of acquired assets and liabilities is determined based on the fair values of similar asset items, estimated expected cash flows from acquired assets or estimated payments required to fulfil the obligation. The fair value of the additional purchase price is determined based on a forecast of the parameters in accordance with the terms of the additional purchase price over the period defined in the terms and discounted to its present value.

In the view of management, the used estimates and assumptions are sufficiently reliable for determining fair value.

3.6 Depreciation, amortisation and impairment

EUR 1,000	2024	2023
Depreciation and amortisation by asset category		
Intangible assets		
Development costs	119	178
Software and licences	558	557
Amortisation of acquisition costs	2,937	2,890
Other intangible assets	10	9
Property, plant and equipment		
Buildings	7	7
Improvements to premises	12	57
Machinery and equipment	193	208
Right-of-use assets	3,364	3,350
Total	7,200	7,256
Total depreciation and amortisation	7,200	7,256

The Group did not recognise impairment losses in the fiscal years 2024 and 2023.

3.7 Other operating expenses

EUR 1,000	2024	2023
Cost of premises	1,062	1,268
IT costs	8,418	8,018
Voluntary personnel expenses	4,586	5,035
Travel	1,123	1,072
External services	2,899	4,051
Other expenses	4,273	2,823
Total	22,362	22,266

In addition to information technology, IT costs include the cost of communication solutions. Voluntary personnel expenses primarily include expenses tied to Digia's personnel benefits. Both expected and realised credit losses are recognised in other operating expenses.

Auditors' fees

EUR 1,000	2024	2023
Ernst & Young Oy		
Audit	201	220
Other statutory duties	22	4
Tax counselling	4	33
Other services	36	93
Other		
Audit	11	3
Other services	12	8
Total	286	401

In 2024, the audit firm invoiced EUR 200.7 (219.8) thousand for auditing and EUR 61.9 (130.9) thousand for other services. Audit fees are included in other operating expenses.

Research and development costs

EUR 1,000	2024	2023
Research and development costs	3,838	4,806
Total	3,838	4,806

The R&D spend includes the development of the company's own products carried out largely by in-house personnel and recognised in personnel expenses. When external services are used for this purpose, the expenses are recognised in other operating expenses.

3.8 Income taxes

EUR 1,000	2024	2023
Current tax	4,158	2,968
Taxes from previous periods	1	-1
Deferred tax	-511	-408
Total	3,647	2,558

Reconciliation between the tax expenses in the income statement and taxes calculated at the tax rate valid in the Group's home country (20 per cent):

EUR 1,000	2024	2023
Profit before taxes	16,938	12,430
Taxes calculated at the domestic corporation tax rate	3,388	2,486
Deviating tax rates of foreign subsidiaries	23	12
Income not subject to tax	-26	-18
Non-deductible expenses	316	144
Other items	-53	-64
Taxes from previous periods	1	-1
Total	3,647	2,558
Taxes in the income statement	3,647	2,558

Accounting principle – current tax

Income taxes recognised in the income statement include taxes based on taxable income for the financial period, adjustments to taxes for previous periods, as well as changes in deferred taxes. Tax based on taxable income for the period is calculated using the corporate income tax rate applicable in each country (Finland, Denmark, Sweden and the Netherlands).

3.9 Deferred tax assets and liabilities

Changes in deferred taxes during 2024:

EUR 1,000	1 Jan 2024	Recognised in income statement	Acquired business operations	Translation difference	31 Dec 2024
Deferred tax assets:					
Share-based payments	72	117	–	–	189
Other items	218	–108	–	–2	108
Total	290	9	–	–2	297

EUR 1,000	1 Jan 2024	Recognised in income statement	Acquired business operations	Translation difference	31 Dec 2024
Deferred tax liabilities:					
Allocation of acquisitions	2,053	–585	–	–32	1,435
Other items	481	83	–	–6	558
Total	2,534	–502	–	–39	1,993

Changes in deferred taxes during 2023:

EUR 1,000	1 Jan 2023	Recognised in income statement	Acquired business operations	Acquired business operations	31 Dec 2023
Deferred tax assets:					
Share-based payments	161	–89	–	–	72
Other items	171	47	–	–	218
Total	332	–42	–	–	290

EUR 1,000	1 Jan 2023	Recognised in income statement	Acquired business operations	Acquired business operations	31 Dec 2023
Deferred tax liabilities:					
Allocation of acquisitions	2,168	–579	517	–54	2,053
Other items	385	128	–	–32	481
Total	2,553	–451	517	–86	2,534

The Group has EUR 2,553 thousand (2023: 2,577 thousand) in unused tax losses for which no deferred tax asset has been recognised. Tax losses do not expire.

Accounting principle – deferred taxes

Deferred tax receivables and liabilities are recognised for temporary differences between the taxable values and book values of asset and liability items. Temporary differences arise from obligatory provisions, lease agreements, the share-based incentive scheme, and revaluation at fair value in connection with acquisitions. Deferred taxes are determined on the basis of the tax rate enacted by the balance sheet date. Deferred tax receivables are recognised up to the probable amount of taxable income in the future, against which the temporary difference can be utilised.

3.10 Earnings per share

	2024	2023
Profit for the period attributable to parent company shareholders (EUR 1,000)	13,291	9,868
Weighted average number of shares during the period		
Undiluted	26,477,330	26,514,556
Share-based incentive scheme shares	335,708	82,627
Diluted	26,813,038	26,597,182
Earnings per share, EUR, undiluted	0.50	0.37
Earnings per share, EUR, diluted	0.50	0.37

Accounting principle – earnings per share

Basic earnings per share are calculated by dividing the earnings before tax for the accounting period attributable to the parent company's shareholders by the weighted average of shares outstanding during the accounting period. Own shares held by the company are not included in the calculation of the weighted average of shares outstanding. When calculating diluted earnings per share, the impact of the share-based incentive scheme is taken into consideration.

4 Personnel

Group personnel on average during the period	2024	2023
Business units	1,483	1,399
Administration and management	70	66
Total	1,553	1,465

At the end of the fiscal year, the Group's number of employees was 1,576 (1,527), of whom 1,444 (1,389) were in Finland, 122 (130) in Sweden, and 10 (8) in the Netherlands. The reported figures correspond to the personnel figures disclosed in the Group's Sustainability Report.

4.1 Personnel expenses

EUR 1,000	2024	2023
Salaries and remunerations	101,698	94,629
Pension costs, defined-contribution plans	17,868	15,658
Share-based payments	585	460
Other personnel expenses	3,518	4,856
Total	123,670	115,603

The total remuneration Digia offers to employees consists of salaries, fringe benefits and short-term incentives (see 4.5). Share-based payments include the annual costs of the management incentive scheme. Information on share-based payments is provided in Note 4.5 Share-based payments. Additional information on the remuneration of key employees is also provided in Note 7.6 Related party transactions.

4.2 Pension liabilities

Digia's pension schemes are arranged through external pension insurance companies in Finland, Sweden and the Netherlands.

Accounting principle – pension liabilities

The Group's pension schemes are defined contribution plans, and payments are recognised in the income statement during the period to which the payment applies.

4.3 Personnel remuneration

Employee remuneration is based on fixed monthly or hourly pay. Part of the employees are covered by target bonus schemes. The key indicators of the target bonus scheme for sales are the value of agreements or the value of agreements and net sales. The key indicators of the short-term target bonus scheme are consolidated net sales and operating profit. Employees have access to extensive occupational healthcare services. In addition, all employees have medical expenses insurance from an insurance company as well as telephone and fitness benefits.

4.4 Share-based payments

Digia has incentive schemes where payments are made either in equity instruments or in cash. The benefits granted through these arrangements are measured at fair value on the date of their being granted and recognised as expenses in the income statement evenly during the vesting period. The impact of these arrangements on the financial results is shown in the income statement under the cost of employee benefits and the impact on the balance sheet as a change in shareholders' equity.

In the 2024 fiscal year, Digia had a long-term share-based incentive scheme in place for senior executives in which the earnings period is 2023–2025. The scheme offers participants the chance to earn company shares according to the targets set by the Board of Directors for the three-year bonus period. In principle, the target group confirmed by the Board of Directors consisted of the CEO, the company's senior executives and other key personnel. The scheme was 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 and key personnel to the company and its long-term objectives.

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 the indicators is three years (2023–2025) and the targets have been set for the end of the earnings period. During the bonus period, the company's CEO and other scheme participants are entitled to a bonus equivalent to a maximum of 480,000 Digia Plc shares. If the terms are met, the bonuses for all indicators based on the new scheme will be paid at the end of the reward period in spring 2026. All bonuses under this scheme will be paid as a combination of shares and cash. The cash component of the bonus will primarily be used to cover taxes and other comparable costs arising from the scheme.

As a rule, the bonus will not be paid if a member resigns or if a member's employment or post is terminated prior to the bonus payment date specified in the incentive scheme. Under certain conditions, the Board has the option to decide on possible bonuses in accordance with the pro-rata principle.

Basic information on the share-based incentive scheme is presented below.

	Share-based incentive scheme for the CEO, 2023–2025	Share-based incentive scheme for key personnel, 2023–2025
Granting date	4 May 2023	4 May 2023
Implementation	Shares and cash	Shares and cash
Target group	President & CEO	Key personnel
Maximum number of shares *	140,000	340,000
Outstanding allocations during the fiscal year		
Start date of the earning period for targets covered by the terms and conditions	1 Jan 2023	1 Jan 2023
End date of the earning period	31 Dec 2025	31 Dec 2025
Vesting date of shares	estimated 31 March 2026	estimated 31 March 2026
Vesting condition	Net sales, EPS and sustainability index Employment requirement	Net sales, EPS and sustainability index Employment requirement
Maximum validity, years	2.9	2.9
Remaining validity, years	1.3	1.3
Implementation	Cash and share (net payment)	Cash and share (net payment)
Number of persons (31 Dec 2024)	1	20

* The amounts include the cash portion (in shares) granted according to the terms of the incentive scheme.

Transactions carried out in the 2024 fiscal year are presented in the table below. Because the cash portion of the bonus payment is also recorded as a share-based expense, the sums presented above are gross, that is, the bonuses include the shares and the equivalent cash sum.

Events in 2024 fiscal year	Share-based incentive scheme for the CEO, 2023–2025	Share-based incentive scheme for key personnel, 2023–2025
Gross amounts, 1 Jan 2024		
Outstanding at beginning of period	140,000	298,000
Changes during the period		
Granted during the year	0	32,000
Forfeited during the year	–	6,000
Exercised during the year	–	–
Gross amounts, 31 Dec 2024		
Outstanding at end of period	140,000	324,000

Effect of the share-based incentive schemes on earnings and financial position	2024	2023
Expenses for the reporting period, share-based incentive scheme	585,289	358,660
Liabilities under the share-based incentive scheme, 31 Dec 2024	5,730	3,064
Future payments to the tax authorities arising from the share-based incentive scheme, as estimated at the end of the reporting period	1,081,584	846,216

Accounting principle – share-based incentive scheme

Digia has incentive schemes where payments are made either in equity instruments or in cash. The benefits granted through these arrangements are measured at fair value on the date of their being granted and recognised as expenses in the income statement evenly during the vesting period. The impact of these arrangements on the financial results is shown in the income statement under the cost of employee benefits and the impact on the balance sheet as a change in shareholders' equity.

The accrual of expenses from the incentive scheme is recognised annually, assessing the total cost impact of the scheme at the level estimated by management. If estimates of the total cost impact of the scheme change, the cost is amended in the period during which the change becomes known for the first time.

Immediate costs relating to the acquisition of Digia Plc's own shares are recognised as deductions in shareholders' equity.

The parent company complies with Statement 2020/1998 of the Accounting Board (KILA) in the FAS treatment of share-based incentive schemes, as the terms and conditions of such schemes are irrevocably fulfilled only at the end of the incentive period.

Allocation of incentives under the terms and conditions of the share-based incentive scheme does not require an employee covered by the scheme to make a cash payment as consideration, and thus has no effect on the parent company's income statement and balance sheet. Once the incentive period has ended and the terms and conditions of the scheme have been fulfilled, ownership of said shares is transferred to the employee in question and does not result in an event that would be recognised in the bookkeeping of the parent company.

Expense effect of share-based incentive schemes on 2024 consolidated result

Effect on earnings and financial position, EUR 1,000	Share-based incentive scheme for the CEO, 2023–2025	Share-based incentive scheme for key personnel, 2023–2025	Total
Share-based payment expense for the fiscal year	177	409	585
Share-based payments, shareholders' equity, 31 Dec 2024	177	409	585

Value parameters for incentives granted during the period

Share price when granted, EUR	5,21
Total expected dividends during exercise period, discounted, EUR	0.39
Per-share fair value	4.82

Comparison data for 2023

Effect on earnings and financial position, EUR 1,000	Share-based incentive scheme for the CEO, 2023–2025	Share-based incentive scheme for key personnel, 2023–2025	Total
Share-based payment expense for the fiscal year	116	243	359
Share-based payments, shareholders' equity, 31 Dec 2023	116	243	359

5 Working capital

Digia ensures optimal working capital through the turnover of accounts receivable and payable. Additional information on accounts receivable is provided in Note 6.2.

5.1 Change in working capital

EUR 1,000	2024	2023
Change in accounts receivable	3,654	– 4,957
Change in accounts payable	–2,801	1,579
Total	853	–3,379

5.2 Accounts payable and other liabilities

EUR 1,000	2024	2023
Accounts payable	5,090	7,892
Advance payments received	5,357	6,499
Other liabilities	13,967	13,598
Total	24,414	27,989

Accounts payable are non-interest-bearing and are paid mainly within 14–90 days.

Other liabilities include VAT liabilities, other short-term liabilities, and liabilities due to personnel expenses.

Accounting principle – accounts payable and other liabilities

The carrying amounts of accounts payable and other liabilities are considered to correspond to their fair values due to the short-term nature of these items.

6 Capital structure

6.1 Capital management and net liabilities

The Group's capital management aims at supporting company business by means of optimal management of the capital structure, ensuring normal operating conditions and increasing shareholder value with a view to achieving the best possible profit. At the end of the year, the Group's interest-bearing net liabilities were EUR 11.6 million (31 Dec 2023: 24.8 million). When calculating net gearing, the interest-bearing net liabilities are divided by shareholders' equity as indicated in the consolidated balance sheet. Gearing includes interest-bearing net liabilities less cash and cash equivalents. Interest-bearing liabilities comprise loans from financial institutions and lease liabilities in accordance with IFRS 16. Net gearing at the year-end 2024 was 14% (2023: 33%).

The share of liabilities of total shareholders' equity was as follows on 31 December 2024 and 31 December 2023:

EUR 1,000	2024	2023
Interest-bearing liabilities	29,874	37,175
Cash and cash equivalents	18,232	12,404
Interest-bearing net liabilities	11,642	24,771
Total shareholders' equity	83,718	75,420
Net gearing, %	14%	33%

Net gearing = Net liabilities/Total shareholders' equity

Additional information on shareholders' equity is presented in Note 6.7 and on interest-bearing liabilities in Note 6.3.

6.2 Receivables and financial assets

Current and non-current receivables

EUR 1,000	31 Dec 2024	31 Dec 2023
Non-current receivables		
Other shares and holdings	482	482
Receivables arising from customer agreements	45	82
Capitalised contract expenses	342	322
Other non-current receivables	66	189
Total non-current receivables	935	1,075
Current receivables		
Accounts receivable	29,622	33,276
Receivables arising from customer agreements	651	1,793
Capitalised contract expenses	470	226
Current prepayments	6,730	6,686
Other receivables	533	659
Total current receivables	38,006	42,639

Amortised cost:

Accounts receivable and other receivables

EUR 1,000	2024	2023
Accounts receivable and other receivables		
Accounts receivable*	29,622	33,276
Receivables arising from customer agreements*	696	1,874
Prepayments and accrued income	6,730	6,686
Other receivables	1,411	1,397
Accounts receivable and other receivables	38,458	43,233

EUR 1,000	2024	2023
Not yet due	27,779	29,519
Due 1–30 days ago	1,491	3,555
Due 31–90 days ago	126	16
Due more than 90 days ago	226	186
Total	29,622	33,276

* items are included in financial assets

Accounts receivable are mainly attributable to invoicing of Finnish companies and organisations. At the end of the 2024 fiscal year, credit losses totalled EUR 156 (53) thousand.

The book value of accounts receivable, receivables from customer agreements and security deposits for rental dues is a reasonable estimate of their fair value. Their balance sheet values best correspond with the sum of money that represents the maximum amount of credit risks. Receivables from customer agreements comprise completed work that has not been invoiced. Typically, these are fixed or target price projects in which it has been agreed that invoices will be sent after sub-deliveries are accepted. After invoicing, receivables from customer agreements are transferred to accounts receivable. Essential items included in prepayments and accrued income are associated with the accrual of statutory insurance premiums and other accrued expenses.

At fair value through profit or loss:

Other shares and holdings	31 Dec 2023	Change	31 Dec 2024
Other shares total	482	–	482
Total	482	–	482

Other shares include holiday cabins usable by personnel and golf shares.

Accounting principle – financial assets

Financial assets are classified at amortised cost and as financial assets recognised at fair value through profit or loss. Classification is based on the business model objective and contractual cash flows of investments or by applying the fair value option at the time of initial acquisition. All purchases and sales of financial assets are recognised on the transaction date.

Amortised cost:

Financial assets measured at amortised cost comprise accounts receivable and receivables from customer agreements. Due to their nature, the carrying amount of short-term accounts receivable and other prepayments and accrued income is their fair value minus the amount of credit losses.

At fair value through profit or loss:

Both realised and unrealised gains and losses due to fair value changes are recognised in the period in which they arise. Unlisted shares and participations owned by Digia are recognised at fair value through profit or loss.

Cash and other cash equivalents

EUR 1,000	2024	2023	Fair value hierarchy level
Bank accounts	18,232	12,404	–

Accounting principle – cash and cash equivalents

Cash and cash equivalents consist of withdrawable bank deposits. Items classified as cash and cash equivalents have a maturity of no more than three months after the acquisition date.

Cash and cash equivalents are recognised at fair value.

Costs arising from the acquisition of customer contracts

Costs arising from the acquisition of customer contracts, including sales commissions for long-term service contracts, are recognised in the balance sheet when the required conditions are met. Commissions and sales are recognised on an accrual basis for the contract period when the services are handed over. The table below shows a breakdown of the changes in capitalised sales commissions during the fiscal year.

EUR 1,000	31 Dec 2024	31 Dec 2023
Capitalised sales commissions, opening balance	549	–
Capitalised during the fiscal year	1,285	1,163
Recognised as an expense during the year	-1,022	-614
Capitalised sales commissions in the balance sheet at year-end	812	549

Accounts receivable and receivables from customers on long-term projects

Accounts receivable and receivables from customers for long-term projects are measured at amortised cost less credit losses. The credit loss provision is based on management's estimate of expected credit losses in each accounts receivable category and contractual receivables.

Provision matrix for accounts receivable

Accounts receivable, EUR 1,000	Balance sheet value (gross)	Expected credit loss	Credit loss provision
Not yet due	27,779	0.1%	30
Due 1–30 days ago	1,491	0.2%	3
Due 31–90 days ago	126	1.5%	2
Due more than 90 days ago	226	2.5%	6
Total	29,622		41
Receivables related to customer contracts	651	0.1%	1

In addition to anticipated credit loss provisions, a customer-specific credit loss provision of EUR 5 thousand has been recognised (2023: EUR 21 thousand).

Impairment of financial assets

The Group's credit loss provision is estimated based on expected credit losses on accounts receivable and receivables from customers in long-term projects over their entire period of validity (Note 6.2). Digia applies a simplified provision matrix to recognise the credit risk of accounts receivable. Thus the estimate of the credit loss provision is based on expected credit losses over the entire period of validity. The model based on expected credit losses is predictive and the expected loss share is based on previous loss amounts. The expected credit losses for the entire period are calculated by multiplying the gross carrying amount of unpaid accounts receivable and receivables from customers on long-term projects by the expected loss share in each age category. Changes in expected credit losses are recognised in other operating expenses through profit or loss.

6.3 Financial liabilities

The Group's financial liabilities include accounts with a credit facility, bank loans from financial institutions, lease liabilities, conditional additional purchase prices, and accounts payable. Digia did not use derivative instruments in the 2024 and 2023 fiscal years. Loans from financial institutions are subject to covenant terms that are described in more detail below.

Interest-bearing liabilities

The Group's bank loans on 31 December 2024 amounted to EUR 26.6 (32.1) million. Bank loans have floating interest rates tied to six-month Euribor plus a margin. The average interest rate of the loans in 2024 was 4.8 per cent (4.5% in 2023). Total lease liabilities as at 31 December 2024 amounted to EUR 3.3 (5.0) million. During the fiscal year, Digia agreed on one new long-term bank financing of EUR 6.0 million. The loan has a floating interest rate tied to six-month Euribor plus a margin.

The loan covenant related to the Group's solvency and liquidity comprised the following key figure: operating profit before depreciation and amortisation (EBITDA) in relation to net debt. The company fulfilled the set loan covenants in 2024 and 2023. The maximum and minimum values specified in the loan covenants, and the realised figures on 31 December 2024 and 31 December 2023 were:

	31 Dec 2024	
	Covenant value	Realised value
Net debt / EBITDA, max.	3.5	0.5

	31 Dec 2023	
	Covenant value	Realised value
Net debt / EBITDA, max.	3.5	1.2

The company expects that the covenants will not be broken in the next 12 months.

Credit facility

The company also has EUR 4.5 million in floating rate credit facilities at its disposal. More information on these facilities is provided in Note 6.6 on liquidity risk.

Balance sheet values and fair values of financial liabilities

EUR 1,000	2024 Fair values	2023 Fair values	2024 Balance sheet values	2023 Balance sheet values	Fair value hierarchy level
Non-current financing liabilities valued at accrued acquisition cost					
Bank loans	14,000	20,572	14,000	20,572	
Liabilities measured at fair value through profit or loss:					
Additional purchase prices	4,135	7,564	4,135	7,564	3
Current					
Bank loans	12,572	11,572	12,572	11,572	

The fair values of Level 3 instruments are based on input data on the asset or liability which are not based on observable market data. Accounts payable have not been included in the table above because the carrying amount of accounts payable is close to their fair value.

Bank loans have floating interest rates and their fair value is considered to be equal to their book value, as these values do not differ significantly.

Interest-bearing liabilities fall due as follows:

Year, EUR 1,000	2024	2023
2025	13,662	12,589
2026	11,512	9,889
2027	3,102	8
Total	28,277	22,486

The tables below describe agreement-based maturity analysis results for 2024 and the 2023 comparison period. The figures are undiscounted with the exception of lease liabilities and additional purchase prices. The lease liabilities include interest payments and the repayment of loan capital. Bank loans include interest.

EUR 1,000 31 Dec 2024	Balance sheet values	Cash flow	Less than 1 year	1–2 years	2–5 years
Bank loans	26,572	28,277	13,662	11,512	3,102
Lease liabilities	3,301	3,301	2,266	877	158
Additional purchase prices	4,135	4,135	4,135	–	–
Accounts payable	5,090	5,090	5,090	–	–
Total	39,099	40,804	25,153	12,390	3,261

EUR 1,000 31 Dec 2023	Balance sheet values	Cash flow	Less than 1 year	1–2 years	2–5 years
Bank loans	32,145	35,080	13,148	12,037	9,894
Lease liabilities	5,031	5,031	3,117	1,517	396
Additional purchase prices	7,564	7,564	4,086	3,478	–
Accounts payable	7,892	7,892	7,892	–	–
Total	52,631	55,566	28,243	17,032	10,291

Accounts payable are recognised in the balance sheet at their original cost, which is equivalent to their fair value, because the effect of discounting is not material, considering the maturities of the liabilities.

Changes in financial liabilities with an effect on cash flow and no effect on cash flow in 2024

		Changes with an effect on cash flow	Changes with no effect on cash flow		
EUR 1,000	1 Jan		Changes in leases	Other changes	31 Dec
Non-current interest-bearing financial liabilities including a current component					
Loans from financial institutions	32,145	-5,572	–		26,572
Lease liabilities	5,031	-3,570	1,840	–	3,301
Total	37,175	-9,142	1,840		29,874
Current interest-bearing liabilities	404	-121	–	–	283

Changes in financial liabilities with an effect on cash flow and no effect on cash flow in 2023

		Changes with an effect on cash flow	Changes with no effect on cash flow	Other changes	31 Dec
EUR 1,000	1 Jan		Changes in leases		
Non-current interest-bearing financial liabilities including a current component					
Loans from financial institutions	25,464	6,681	–		32,145
Lease liabilities	6,472	-3,578	2,136	–	5,031
Total	31,936	3,103	2,136		37,175
Current interest-bearing liabilities	133	271	–	–	404

Accounting principle – financial liabilities

The Group's financial liabilities are classified in two categories: measured at amortised cost and fair value through profit or loss. Financial liabilities are initially recognised in the accounts at fair value on the basis of the consideration received. Financial liabilities are included in non-current and current liabilities and may be interest-bearing or non-interest-bearing. Loans falling due in less than 12 months are presented under current financial liabilities.

6.4 Lease liabilities

A more detailed description of leases is provided in Note 7.4.

Lease liabilities (EUR 1,000)	**31 Dec 2024**	**31 Dec 2023**
Long-term	1,036	1,913
Short-term	2,266	3,117
Lease liabilities, total	3,301	5,031
Maturity distribution		
Within one year	2,266	3,117
Within more than one but less than five years	1,036	1,913
Interest expenses	157	104
Exemptions on recognition and measurement		
Costs of agreements on low-value asset items		
Short-term lease commitments	1,146	1,090
Future cash flows from:		
Commitments to future agreements	3,295	330
Short-term lease commitments	–	128

Contingent liabilities

EUR 1,000	**2024**	**2023**
Bank guarantees for lease agreements	916	598

6.5 Financial income and expenses

Financial income

EUR 1,000	**2024**	**2023**
Interest income from accounts receivable	3	1
Exchange rate gains	197	–100
Other financial income	323	152
Total	524	53

Financial expenses

EUR 1,000	**2024**	**2023**
Interest expenses for financing loans valued at amortised cost	1,448	1,182
Interest expenses for leases	157	104
Interest expenses for accounts payable	9	10
Loan administration fees	31	44
Exchange rate losses	84	57
Other financial expenses	66	61
Total	1,794	1,458

6.6 Financial risks

Financial risk management consists, for instance, of the planning and monitoring of solvency of liquid assets, the management of investments, receivables and liabilities denominated in a foreign currency, and the management of interest rate risks on non-current interest-bearing liabilities.

Digia Plc's internal and external financing and the management of financing risks is concentrated in the finance and financial management unit of the Group's parent company. The unit is responsible for the Group's liquidity, sufficiency of financing, and the management of interest rate and currency risk. The Group is exposed to several financial risks in the normal course of business. The Group's risk management seeks to minimise the adverse effects of changes in financial markets on the Group's earnings. The primary types of financial risks are interest rate risk, credit risk, and liquidity risk. The general principles of risk management are approved by the parent company's Board of Directors, and the Group's finance and financial management unit together with the business segments is responsible for their practical implementation.

Interest rate risks

The Group's interest rate risk is primarily associated with long-term bank loans whose interest rates are linked to Euribor rates. Changes in market interest rates have a direct effect on the Group's future interest payments. During the 2024 fiscal year, the interest rate on long-term bank loans varied between 3.8% and 5.6% (in 2023, between 2.9% and 5.6%). The impact of a +/–1% change in the loan's interest rate is EUR 0.3 million per annum. Interest rate developments are monitored and reported on regularly in the Group. Possible interest rate hedges will be made with the appropriate instruments. At the end of the 2024 and 2023 fiscal years, the Group did not have any hedging instruments in force.

Credit loss risk

The Group's customers are mostly well-known Finnish and foreign companies with well-established credit, and thus the Group is deemed to have no significant credit loss risks. The Group continuously assesses the increase in credit risk after initial recognition on the basis of changes in the default risk.

The Group's policy defines creditworthiness requirements for customers and investment transactions with the aim of minimising credit losses. Services and products are only sold to companies with a good credit rating. The counterparties in investment transactions are companies with a good credit rating. Credit loss risks associated with commercial operations are primarily the responsibility of operational units. The parent company's finance and financial management unit provides customer financing services in a centralised manner and ensures that the Group's guidelines are observed with regard to terms of payment and collateral required.

The credit loss provision totalled EUR 41 thousand on 31 December 2024 (31 Dec 2023: EUR 43 thousand). The maturity analysis of accounts receivable and receivables from customer agreements for 2024 and 2023 is presented in Note 6.2. The Group has no identified risk concentrations.

Foreign exchange risks

The Group's currency risks are related to the receivables, liabilities and investments of the Swedish and Danish subsidiaries as well as the Finnish companies' accounts receivable, accounts payable and additional purchase prices denominated in foreign currency. On 31 December 2024, accounts receivable denominated in foreign currency amounted to EUR 3,571 (4,667) thousand, accounts payable denominated in foreign currency to EUR 1,083 (1,279) thousand and additional purchase prices in foreign currency to EUR 2,931 (2,556) thousand.

Liquidity risk

The Group aims to continuously estimate and monitor the amount of financing required for business operations in order to maintain sufficient liquid funds for financing operations and repaying loans falling due. The Group maintains its immediate liquidity with the help of cash management solutions such as Group accounts and credit facilities at banks. The amount of unwithdrawn standby credit on 31 December 2024 was EUR 4.5 (4.5) million. Cash and cash equivalents on 31 December 2024 amounted to a total of EUR 18.2 (12.4) million. The contractual maturity analysis of financial liabilities is presented in Note 6.3.

6.7 Shareholders' equity

	Number of shares	Share capital (EUR 1,000)
1 Jan 2024	26,823,723	2,088
31 Dec 2024	26,823,723	2,088

	Number of shares	Share capital (EUR 1,000)
1 Jan 2023	26,823,723	2,088
31 Dec 2023	26,823,723	2,088

The accounting countervalue of the shares is EUR 0.10 per share and the maximum number of shares is 48 (48) million. All shares grant equal rights to their holders. The Group's maximum share capital is EUR 4.8 (4.8) million. All outstanding shares are paid in full. On 31 December 2024, the company held 129,604 (129,604) of its own shares, or 0.5 (0.5) per cent of all shares. At the end of the fiscal period, the company and EAM Digia Holding Oy held a total of 346,393 (346,393) shares.

	2024	2023
Treasury shares (Company and EAM), 1 Jan	346,393	346,393
Increases	–	–
Decreases	–	–
Treasury shares (Company and EAM), 31 Dec	346,393	346,393

Reserves

Other funds have consisted of M&A-related structural changes in previous years. Translation differences comprise translation differences arising from the translation of financial statements of non-Finnish units. The unrestricted shareholders' equity reserve comprises investments similar to shareholders' equity and the subscription price of shares when a specific decision is made not to enter it in shareholders' equity.

Dividends

A dividend of EUR 0.18 per share is proposed for the 2024 fiscal year. A dividend of EUR 0.17 per share was paid for the 2023 fiscal year, to a total of EUR 4,501,146.10. Dividends were paid on 3 April 2024.

Accounting principle – dividends

Dividends proposed by the Board of Directors will not be deducted from distributable shareholders' equity before the Board's decision has been received.

Calculation of the parent company Digia Plc's distributable funds, 31 Dec

EUR 1,000	2024	2023
Unrestricted shareholders' equity reserve	42,540	42,540
Retained earnings	19,758	16,203
Net profit	8,448	8,056
Total	70,747	66,799

7 Other items

7.1 Goodwill

Goodwill and impairment testing

Digia's goodwill has been generated by several acquisitions. Goodwill amounted to EUR 92.8 million at the end of the 2024 fiscal year (31 December 2023: EUR 93.3 million). No business operations were acquired in 2024; the goodwill of the businesses acquired in 2023 accounted for EUR 7.1 million.

	Goodwill 2024	Goodwill 2023
Acquisition cost, 1 Jan	144,689	137,223
Increases	–	7,132
Exchange rate change	–516	334
Acquisition cost, 31 Dec	144,173	144,689
Accumulated amortisation, 1 Jan	–51,394	–51,394
Accumulated depreciation and amortisation, 31 Dec	–51,394	–51,394
Book value, 1 Jan	93,295	85,829
Book value, 31 Dec	92,779	93,295

Accounting principle – goodwill

Goodwill is recognised from the acquisition as the difference between points 1 and 2 below:

1. Sum of the following items:

- The fair value of the consideration paid at the time of acquisition.
- The amount of any non-controlling interest in the object of acquisition
- The fair value of any previously held non-controlling interest in the object of acquisition, in the case of a phased business combination.

2. The net sum of the acquisition date assets acquired and liabilities assumed.

No amortisation is booked on goodwill but it is tested annually for impairment. For this purpose, goodwill is allocated to cash generating units. Goodwill is recognised at the original cost from which the impairment is deducted.

Impairment testing of assets

Goodwill impairment testing is performed at Group level, with the Group as the cash-generating unit. The table below shows the distribution of goodwill and balance sheet values of other asset items subject to testing. Impairment testing for the 2024 fiscal year was carried out using the values for 30 September 2024.

EUR 1,000	Specified intangible assets	Goodwill	Other items	Balance sheet value of assets subject to testing, total
30 Sept 2024	7,842	93,001	–2,904	97,939
31 Dec 2023	10,212	93,295	–1,397	102,110

In the five-year forecast period, annual growth in net sales is expected to be 3.0 (2023: 5.0) per cent and 2.0 (1.5) per cent thereafter, the average operating profit to amount to 9.5 (9.3) per cent and the pre-tax discount rate to be 11.9 (11.6) per cent. Cash flows after the forecast period have been extrapolated using the net sales growth rate of 2.0 (1.5) per cent and the operating profit margin of 5.3 (8.0) per cent. The discount rate used is the average cost of capital (WACC). Impairment testing indicated a buffer of about EUR 98 million.

Sensitivity analysis

Management tests the impacts of changes in the significant estimates used in forecasts with sensitivity analyses.

The most important factors in goodwill sensitivity analyses are not only the cash flow forecasts and their assumptions, but also the growth percentage of the terminal value and the discount rate used and the effect on goodwill. If -38 per cent had been used as the growth percentage of the terminal value, instead of 2 per cent, the value in use would have corresponded to the value subject to testing. If 23 per cent had been used as the discount rate, instead of 11.9 per cent, the value in use would have corresponded to the value subject to testing. If the operating margin were 3.1 per cent, instead of the average of 9.5 per cent, the value in use would correspond to the value subject to testing.

In addition, a sensitivity analysis of net sales growth and operating profit has been carried out. According to the sensitivity analysis, goodwill requires either net sales to remain at the current level with operating profit of 3.7 per cent, or a 2.0 per cent growth in net sales with operating profit of 3.4 per cent.

Significant estimate – main assumptions used in impairment testing of goodwill

Management applies significant estimates and judgements in assessing the development of the Group's net sales and costs, the applicable tax rates, and the impact of changes in market conditions on the Group's earnings trend. The main assumptions used to calculate the recoverable amount were the operating profit in the forecast period, long-term growth over the terminal period and the discount rate used. Cash flow forecasts are based on the Group's actual result and management's best estimates of future financial performance. Cash flow forecasts include the budgeted figure for the next fiscal year and projected figures for the next five years.

Growth rates are based on management's estimates of growth in future years.

Operating profit data from external research institutes has also been utilised. Growth of 2.0 per cent during the terminal period reflects management's long-term expectations for Digia's business growth, taking current interest rates and the overall market situation into consideration. WACC before taxes has been used as the discount factor in these calculations. WACC considers both the expected return on equity and return on debt, calculated using the beta figures, capital structure and tax rates of comparable companies. Growth rates are based on management's estimates of growth in future years.

Accounting principle – impairments

On the balance sheet date, it is estimated whether there is evidence that the value of a tangible or intangible asset may have been impaired. If there is evidence of impairment, the amount recoverable from the asset is estimated. In addition, the recoverable amount is estimated annually on goodwill regardless of whether there is an indication of impairment or not. The need for impairment is reviewed at the level of cash generating units, which refers to the lowest level of unit that is mainly independent of other units and whose cash flows can be separated from other cash flows. If the carrying amount exceeds the recoverable amount, an impairment loss is recognised in the income statement. An impairment loss recognised for goodwill will not be reversed under any circumstances.

7.2 Property, plant and equipment

2024

EUR 1,000	Right-of-use assets	Buildings and structures	Machinery and equipment	Other tangible assets	Total 2024
Acquisition cost, 1 Jan	22,428	162	23,999	750	47,340
Translation difference	-21	–	-2	–	-23
Increases	1,969	–	172	28	2,169
Transferred through business combinations	–	–	–	–	–
Decreases	-95	–	–	–	-95
Acquisition cost, 31 Dec	24,281	162	24,169	779	49,391
Accumulated depreciation and amortisation, 1 Jan	-17,794	-152	-23,557	-724	-42,226
Depreciation for the period	-3,364	-7	-193	-12	-3,576
Translation difference	1	–	–	–	1
Accumulated depreciation and amortisation, 31 Dec	-21,157	-158	-23,750	-736	-45,801
Book value, 1 Jan	4,634	11	442	27	5,114
Book value, 31 Dec	3,124	5	419	43	3,591

2023

EUR 1,000	Right-of-use assets	Buildings and structures	Machinery and equipment	Other tangible assets	Total 2023
Acquisition cost, 1 Jan	20,388	162	23,816	750	45,116
Translation difference	3	–	–	–	3
Increases	2,195	–	148	1	2,344
Transferred through business combinations	262	–	69	–	331
Decreases	-420	–	-34	–	-454
Acquisition cost, 31 Dec	22,428	162	23,999	750	47,340
Accumulated depreciation and amortisation, 1 Jan	-14,430	-145	-23,348	-666	-38,589
Depreciation for the period	-3,350	-7	-208	-58	-3,623
Translation difference	-14	–	–	–	-15
Accumulated depreciation and amortisation, 31 Dec	-17,794	-152	-23,557	-724	-42,226
Book value, 1 Jan	5,957	18	468	84	6,526
Book value, 31 Dec	4,634	11	442	27	5,114

Accounting principle – property, plant and equipment

Property, plant and equipment (PPE) are carried at cost less accumulated depreciation and impairment. Assets are depreciated over their estimated useful lives. Depreciation is not booked for land areas. Estimated useful lives are as follows:

Machinery and equipment	3—8 years
Leasehold improvement expenditure	3—5 years
Buildings and structures	25 years

The residual value and useful life of assets is reviewed on each balance sheet date and, if necessary, adjusted to reflect any changes in expected economic value.

Capital gains and losses on elimination and the transfer of property, plant and equipment are included either in other operating income or expenses.

7.3 Intangible assets

2024

EUR 1,000	Goodwill	Development costs	Other intangible assets	Intangible assets in progress	Allocated assets related to acquisitions	Total 2024
Acquisition cost, 1 Jan	144,689	3,016	31,456	–	23,201	202,362
Increases	–	–	89	–	–	89
Translation difference	-516	–	–	–	-99	-615
Transferred through business combinations	–	–	–		–	–
Decreases	–	–	–	–	–	–
Transfers between items	–	–	–	–	–	–
Acquisition cost, 31 Dec	144,173	3,016	31,545	–	23,102	201,836
Accumulated depreciation and amortisation, 1 Jan	-51,394	-2,784	-28,561	–	-12,989	-95,728
Depreciation for the period	–	-119	-568	–	-2,937	-3,624
Translation difference	–	–	–	–	-57	-57
Accumulated depreciation and amortisation, 31 Dec	-51,394	-2,904	-29,128	–	-15,983	-99,409
Book value, 1 Jan	93,295	231	2,895	–	10,212	106,633
Book value, 31 Dec	92,779	112	2,416	–	7,119	102,426

2023

EUR 1,000	Goodwill	Development costs	Other intangible assets	Intangible assets in progress	Allocated assets related to acquisitions	Total 2023
Acquisition cost, 1 Jan	137,223	3,016	31,456	–	20,555	192,250
Increases	7,132	–	–	–	2,510	9,643
Translation difference	334	–	–	–	136	469
Transferred through business combinations	–	–	–		–	–
Decreases	–	–	–	–	–	–
Transfers between items	–	–	–	–	–	–
Acquisition cost, 31 Dec	144,689	3,016	31,456	–	23,201	202,362
Accumulated depreciation and amortisation, 1 Jan	–51,394	–2,606	–27,996	–	–10,035	–92,031
Depreciation for the period	–	–178	–565	–	–2,890	–3,633
Translation difference	–	–	–	–	–63	–63
Accumulated depreciation and amortisation, 31 Dec	–51,394	–2,784	–28,561	–	–12,989	–95,728
Book value, 1 Jan	85,829	409	3,460	–	10,520	100,218
Book value, 31 Dec	93,295	231	2,895	–	10,212	106,633

Accounting principle – intangible assets

Allocated assets related to acquisitions comprise customer agreements, product brands and technologies with a limited useful life. They are entered in the balance sheet under intangible assets and recognised as expenses in the income statement by straight-line depreciation over their useful life, which is typically 2–9 years.

Other intangible assets comprise capitalised IT software licenses. The depreciation period of licences is three years.

Research costs are recognised as expenses. Development costs are capitalised if they fulfil the capitalisation criteria for development costs.

The accounting for cloud computing arrangements depends on whether the cloud-based software classifies as a software intangible asset or a service contract. Those arrangements where the Company does not have control over the underlying software are accounted for as service contracts providing the Company with the right to access the cloud provider's application software over the contract period. Such arrangements may require consideration by management. The ongoing fees to obtain access to the application software, together with related configuration or customisation costs incurred, are recognised under other operating expenses when the services are received.

7.4 Right-of-use assets

Leases in the balance sheet:

EUR 1,000	1 Jan 2024	Depreciation	Increases	Decreases	31 Dec 2024
Business premises	3,980	-2,917	1,393	-48	2,407
Cars	621	-418	576	-64	714
IT equipment	32	-29	–	-1	3
Right-of-use assets, total	4,634	-3,364	1,969	-114	3,124

EUR 1,000	1 Jan 2023	Depreciation	Increases	Decreases	31 Dec 2023
Business premises	5,443	-2,991	1,925	-397	3,980
Cars	415	-294	532	-32	621
IT equipment	99	-65	–	-2	32
Right-of-use assets, total	5,957	-3,350	2,457	-431	4,634

Accounting principle – lease agreements

IFRS 16 sets out the requirements for the recognition, measurement, and disclosure of leases that have been complied with. Under the standard, the lessee shall recognise lease contracts in the balance sheet as a lease liability and related right-of-use asset. At the commencement date of the contract, the lessee recognises a liability for its obligation to make lease payments and an asset for its right to use the leased asset. Interest expenses must be recognised for the liability in the balance sheet and depreciation for the asset.

Digia leases the premises, company cars, equipment and multifunctional devices it uses. The bulk of the lease liability and right-of-use asset in the balance sheet comprises lease contracts for offices. Digia has applied exemptions permitted under IFRS 16 for short-term lease contracts. Such lease contracts with a term of less than 12 months have not been recognised in the balance sheet. In addition, Digia does not recognise an asset and liability in the balance sheet for leases of low value assets. Calculations of the right-of-use asset and corresponding lease liability are based on the company's estimate of the duration of current lease contracts and potential use of options to extend them.

Lease liabilities are described in Note 6.4.

7.5 Notes to the cash flow statement

Adjustments to net profit

EUR 1,000	2024	2023
Depreciation, amortisation and impairment	7,200	7,256
Transactions that do not involve a payment transaction	585	525
Financial income and expenses	1,270	1,405
Taxes	3,647	2,558
Total	12,702	11,744

7.6 Related party transactions

Two parties are considered related if one party can exercise control or significant power in decision-making associated with the other party's finances and business operations. The related parties of the Group's parent company, Digia Plc, include the following entities:

- subsidiaries
- members of the Board of Directors and the Group's Management Team, including the CEO (key management)
- the family members of said persons, and
- companies under the control of related parties.

The amounts presented in the tables below correspond to the costs recognised as expenses in the fiscal years in question. Wages and salaries include any share-based incentive scheme benefits and fringe benefits.

Remuneration paid to key management during the fiscal period, including fringe benefits, was as follows:

EUR 1,000	2024	2023
Salaries and other short-term employee benefits	2,179	2,082
Performance bonuses	254	521
Share-based bonuses	0	833
Cash component of the share-based incentive scheme	585	460
Total	3,019	3,896

The CEO and the Group's other management are provided with pension coverage under the Finnish Employees' Pension Act (TyEL).

The notice period for termination of the CEO's service contract is six months for each party. The CEO's service contract is subject to an anti-competition clause that prohibits the CEO from engaging in competing activities during the service contract and for six months after termination of the service contract. If the CEO's service contract is terminated by the company, the CEO is entitled to compensation corresponding to six months' salary in addition to the salary paid during the six-month notice period. Compensation will be paid at the end of the employment relationship. This compensation will also be paid if the CEO's service contract or job description changes substantially as a result of significant corporate restructuring. The CEO is not entitled to six months' compensation if the service contract ends as a result of a serious breach of contract on the part of the CEO.

The members of the Board of Directors and the CEO have received the following salaries and fees:

EUR 1,000		2024	2023
Ala-Härkönen Martti	Member of the Board	60	64
Elsinen Santtu	Member of the Board	46	50
Ingman Robert	Chair of the Board of Directors	80	87
Leppänen Sari	Member of the Board	47	47
Nieminen Henry	Member of the Board	46	40
Ruotsalainen Seppo	Member of the Board	0	14
Taivainen Outi	Member of the Board	49	51
Levoranta Timo	President & CEO	392	981
Total		719	1,334

The Group's incentive schemes are described in Note 4.4 Share-based payments and in the separate report on corporate governance.

Related-party transactions concerning sales totalled EUR 34 (36) thousand and consisted mainly of licence charges. Sales of services to related parties are based on the Group's current prices. The Group has no related-party loans or voluntary pension arrangements.

Group companies	Domicile	Domestic segment	Share of ownership	Share of votes
Digia Plc	Helsinki	Finland	Parent company	
Digia Finland Ltd	Helsinki	Finland	100%	100%
Most Digital AB	Stockholm	Sweden	100%	100%
Productivity Leap Oy	Joensuu	Finland	100%	100%
Digia Sweden AB	Stockholm	Sweden	100%	100%
Climber International AB	Stockholm	Sweden	100%	100%
Climber Finland Oy	Helsinki	Finland	100%	100%
Climber Benelux B.V.	Hengelo	Netherlands	100%	100%
Climber Danmark ApS	Copenhagen	Denmark	100%	100%
Climber Holding AB	Stockholm	Sweden	100%	100%
Climber AB	Stockholm	Sweden	100%	100%
Top of Minds AB	Stockholm	Sweden	100%	100%

Structured entity included in the consolidated financial statements

Shares for the share-based incentive scheme are acquired by EAM Digia Holding Oy. The legal owner of the holding company is Evli Alexander Incentives Oy, but Digia Plc exercises control over the arrangement on a contractual basis. The holding company is included in the consolidated financial statements because the Group has control over it.

7.7 Events after the balance sheet date

There have been no major events since the balance sheet date.

8 Formulas for the indicators and reconciliations

8.1 Formulas for the indicators

IFRS performance measures:

Earnings per share (EPS), EUR:

$$\frac{\text{Profit for the period attributable to parent company shareholders}}{\text{Weighted average number of shares during the period}}$$

Earnings per share (EPS), EUR, diluted:

$$\frac{\text{Profit for the period attributable to parent company shareholders}}{\text{Diluted weighted average number of shares during the period}}$$

non-IFRS performance measures:

Net sales growth, %:

$$\frac{\text{Net sales for the fiscal year} \times 100}{\text{Net sales for the comparison period}}$$

Operating profit (EBIT):

Profit for the period + income taxes + financial income and expenses

Operating profit (EBITA):

Operating profit + purchase price allocation amortisation and costs

Operating profit (EBITA) margin, %:

$$\frac{\text{(Operating profit + purchase price allocation amortisation and costs)} \times 100}{\text{Net sales}}$$

Return on investment (ROI), %:

$$\frac{\text{(Profit or loss before taxes + interest and other financing costs)} \times 100}{\text{Balance sheet total – non-interest bearing financial liabilities (average)}}$$

Return on equity (ROE), %:

$$\frac{\text{(Profit or loss before taxes – taxes)} \times 100}{\text{Shareholders' equity (average)}}$$

Equity ratio, %:

$$\frac{\text{(Shareholders' equity + minority interest)} \times 100}{\text{Balance sheet total – advances received}}$$

Dividend/share, EUR:

$$\frac{\text{Total dividend}}{\text{Number of shares at the end of the period, adjusted for share issues}}$$

Dividend payout ratio, %:

$$\frac{\text{Dividend per share}}{\text{Earnings per share}}$$

Net gearing, %:

$$\frac{\text{(Interest-bearing liabilities – cash and cash equivalents)} \times 100}{\text{Shareholders' equity}}$$

Effective dividend yield, %:

$$\frac{\text{Dividend per share} \times 100}{\text{Last trading price for the period, adjusted for share issues}}$$

Price/earnings (P/E):

$$\frac{\text{Last trading price for the period, adjusted for share issues}}{\text{Earnings per share}}$$

8.2 Reconciliation of alternative performance measures

As alternative performance measures, the Group reports operating profit plus purchase price allocation amortisation (EBITA) and costs, operating profit (EBIT), return on equity, return on investment, net gearing and equity ratio, which are not defined in IFRS. The company presents the alternative performance measures to describe the financial situation and development of business operations, as it considers this information necessary for investors.

Operating profit (EBITA)	31 Dec 2024	31 Dec 2023
Operating profit	18,208	13,835
Purchase price allocation amortisation and costs	2,937	2,891
Operating profit (EBITA)	**21,144**	**16,727**

Return on equity, %	31 Dec 2024	31 Dec 2023
Profit before taxes	16,938	12,430
Taxes	–3,647	–2,558
Profit after taxes	13,291	9,872
Shareholders' equity (average for the year)	79,569	73,254
Return on equity, %	**16.7%**	**13.5%**

Return on investment, %	31 Dec 2024	31 Dec 2023
Profit before taxes	16,938	12,430
Financial expenses	–1,794	–1,458
Profit before taxes + financial expenses	18,732	13,888
Balance sheet total (average for the period)	165,821	164,136
Non-interest-bearing liabilities (average for the year)	52,728	56,322
Balance sheet total – non-interest bearing liabilities	113,094	107,814
Return on investment, %	**16.6%**	**12.9%**

Net gearing, %	31 Dec 2024	31 Dec 2023
Interest-bearing liabilities	29,874	37,175
Cash and cash equivalents	18,232	12,404
Shareholders' equity	83,718	75,420
Net gearing, %	**13.9%**	**32.8%**

Equity ratio, %	31 Dec 2024	31 Dec 2023
Shareholders' equity	83,718	75,420
Balance sheet total	163,486	168,157
Advance payments received	5,357	6,499
Balance sheet total – advances received	158,129	161,658
Equity ratio, %	**52.9%**	**46.7%**

9 Parent company's financial statements (FAS)

9.1 Parent company's income statement

EUR	Note	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
Net sales	1	17,338,541.77	18,955,102.83
Other operating income	2	50,511.43	56,068.00
Materials and services		−1,175,559.85	−1,318,907.57
Personnel expenses	3	−4,926,540.41	−5,542,196.79
Depreciation, amortisation and impairment	4	−673,346.97	−762,873.68
Other operating expenses	5	−10,004,023.93	−9,951,325.39
		−16,728,959.73	−17,519,235.43
Operating profit		**609,582.04**	**1,435,867.40**
Financial income and expenses	6	−3,851,504.84	−3,730,086.14
Profit before appropriations and taxes		**−3,241,922.80**	**−2,294,218.74**
Appropriations			
Group contribution		14,000,000.00	12,600,000.00
Change in depreciation differences		−219,764.90	−219,764.90
Profit before taxes		**10,538,312.30**	**10,086,016.36**
Income taxes	7	−2,089,988.59	−2,030,008.88
Net profit		**8,448,323.71**	**8,056,007.48**

9.2 Parent company's balance sheet

EUR	Note	31 Dec 2024	31 Dec 2023
ASSETS			
FIXED ASSETS			
Intangible assets	8	21,288.27	3,330.16
Intangible rights		2,338,998.28	2,889,350.82
		2,360,286.55	2,892,680.98
Tangible assets	9		
Land and water areas		16,818.79	16,818.79
Buildings and structures		4,945.09	11,538.55
Machinery and equipment		133,537.89	232,851.01
		155,301.77	261,208.35
Investments	10		
Shares in Group companies		175,081,210.65	194,130,695.55
Other shares and holdings		480,004.54	480,004.54
		175,561,215.19	194,610,700.09
Total fixed assets		**178,076,803.51**	**197,764,589.42**
CURRENT ASSETS			
Non-current receivables			
Prepayments and accrued income		–	78,641.87
Current receivables	11		
Receivables from Group companies		18,592,170.22	11,206,864.92
Other receivables		204,948.22	305,654.91
Prepayments and accrued income		1,842,773.91	2,139,693.08
		20,639,892.35	13,664,916.71
Cash and cash equivalents		6,873,955.67	2,759,576.31
Total current assets		27,513,848.02	16,424,493.02
Total assets		**205,590,651.53**	**214,267,724.31**

EUR	Note	31 Dec 2024	31 Dec 2023
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Equity attributable to parent-company shareholders	12		
Share capital		2,087,564.50	2,087,564.50
Unrestricted shareholders' equity reserve		42,540,499.12	42,540,499.12
Retained earnings		19,757,803.30	16,202,941.92
Net profit		8,448,323.71	8,056,007.48
Total shareholders' equity		**72,834,190.63**	**68,887,013.02**
ACCUMULATED APPROPRIATIONS			
Depreciation difference		798,763.60	578,998.70
LIABILITIES			
Non-current liabilities			
Loans from financial institutions	13	14,000,000.00	20,500,000.00
Liabilities to Group companies		50,620,580.00	–
Other non-current liabilities		–	4,371,720.25
		64,620,580.00	24,871,720.25
Current liabilities			
Accounts payable		242,701.23	316,906.17
Interest-bearing liabilities	14	12,500,000.00	11,500,000.00
Liabilities to Group companies		47,866,162.94	102,375,690.23
Other liabilities		5,239,670.86	4,443,692.45
Accruals and deferred income		1,488,582.27	1,293,703.49
Taxes based on the net result for the year		–	–
		67,337,117.30	119,929,992.34
Total liabilities		**131,957,697.30**	**144,801,712.59**
Total shareholders' equity and liabilities		**205,590,651.53**	**214,267,724.31**

9.3 Parent company's cash flow statement

EUR	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
Cash flow from operations:		
Net profit	8,448,323.71	8,056,007.48
Adjustments to net profit	-7,165,394.70	-5,867,511.40
Change in working capital	13,068,663.68	8,155,720.58
Interest paid	-4,028,666.84	-4,203,860.31
Interest income	253,730.85	174,641.65
Taxes paid	-1,509,845.28	-1,905,837.05
Cash flow from operations	9,066,811.42	4,409,160.95
Cash flow from investments:		
Purchases of tangible and intangible assets	-35,045.96	7,985.78
Acquisition of subsidiary, net of cash acquired	-5,116,240.00	-19,342,700.10
Cash flow from investments	-5,151,285.96	-19,334,714.32
Cash flow from financing:		
Acquisition of treasury shares	–	-1,237,419.08
Repayment of current loans	-11,500,000.00	-8,000,000.00
Withdrawals of current loans	–	–
Withdrawals of current loans	6,000,000.00	15,000,000.00
Group financing items [1)]	-500,000.00	180,000.00
Group contribution	10,700,000.00	11,800,000.00
Dividends paid	-4,501,146.10	-4,514,502.49
Cash flow from financing	198,853.90	13,228,078.43
Change in cash and cash equivalents	4,114,379.36	-1,697,474.94
Cash and cash equivalents at beginning of period	2,759,576.31	4,457,051.25
Change in cash and cash equivalents	4,114,379.36	-1,697,474.94
Cash and cash equivalents at end of period	6,873,955.67	2,759,576.31

[1)] Group financing items comprise changes in loans between the parent company and its subsidiaries.

9.4. Basic information on the parent company and accounting policies

Basic information on the company

Digia Plc is the parent company of the Digia Group. It is domiciled in Helsinki and its registered office is at Atomitie 2, 00370 Helsinki. Digia Plc's active subsidiaries are Digia Finland Ltd and its subsidiaries, Productivity Leap Oy, Digia Sweden AB, Climber International AB and its subsidiaries, and Top of Minds AB.

Accounting policies

The parent company's financial statements have been prepared in accordance with Finnish Accounting Standards (FAS). The financial statements are based on original acquisition costs. Book values based on original costs have been reduced to correspond to fair value as necessary.

The parent company serves as the Group's administrative company and charges the Group companies for services rendered.

Pension schemes

The Group's pension schemes are arranged through a pension insurance company. Pension premiums and expenses allocated to the financial period are based on confirmations received from the insurance company. Pension expenses are recognised as expenses for the year in which they arise.

Leasing payments

Leasing payments are recognised as annual expenses.

Share-based payments

Digia has a share-based incentive scheme where payments are made either in equity instruments or in cash. The company complies with Statement 1998, 15 January 2020 of the Accounting Board (KILA) in the treatment of benefits granted in such schemes. According to the statement, the terms and conditions of a share-based incentive scheme are irrevocably fulfilled only at the end of the incentive period. Therefore, the service commitment required of an employee under the share-based incentive scheme is indivisible by nature – the performance is to be considered to have been rendered on the one hand and received on the other by the company at the end of the incentive period, at which point the employee shall have an irrevocable right to the shares specified in the scheme.

Fixed assets, depreciation and amortisation

Fixed assets are recognised in the balance sheet at immediate cost less planned depreciation and amortisation.

The economic lives underlying planned depreciation and amortisation are as follows:

Intangible assets

Intangible rights	3–6 years
Other long-term expenses	3–5 years

Tangible assets

Buildings and structures	25 years
Machinery and equipment	3–8 years

Purchases of fixed assets with an economic life of less than three years are recognised as annual expenses.

9.5 Board of Directors' proposal for the distribution of profit

According to the balance sheet dated 31 December 2024, Digia Plc's distributable shareholders' equity was EUR 70,746,626.13, of which EUR 8,448,323.71 was profit for the fiscal year. At the Annual General Meeting, the Board of Directors will propose that a dividend of EUR 0.18 per share be paid according to the confirmed balance sheet for the fiscal year ending 31 December 2024. Shareholders listed in the shareholders' register maintained by Euroclear Finland Ltd on the dividend reconciliation date, 31 March 2025, will be eligible for the payment of dividend. Dividends will be paid on 7 April 2025.

9.6 Notes to the parent company's financial statements

1. Net sales

Net sales by segment

EUR	2024	2023
Group administration services	17,338,541.77	18,955,102.83
Total	17,338,541.77	18,955,102.83

2. Other operating income

EUR	2024	2023
Rental income	50,511.43	45,823.00
Other operating income	0.00	10,245.00
Total	50,511.43	56,068.00

3. Information on personnel and governing bodies

EUR	2024	2023
Board emoluments and remuneration and CEO's compensation	718,599.80	1,334,099.40
Other salaries and remunerations	3,469,110.57	3,499,856.55
Pension insurance contributions	671,089.91	606,013.38
Other personnel expenses	67,740.13	102,227.46
Total	4,926,540.41	5,542,196.79

Number of personnel, 31 Dec	2024	2023
Management and administration	50	47
Total	50	47

4. Depreciation, amortisation and impairment

EUR	2024	2023
Planned depreciation and amortisation		
Property, plant, and equipment, and intangible assets	673,346.97	762,873.68
Total	673,346.97	762,873.68

5. Auditor's fees

EUR	2024	2023
Ernst & Young Oy		
Audit	172,687.00	191,510.00
Tax counselling	3,880.00	32,763.00
Other statutory duties	22,165.00	4,100.00
Other services	34,270.00	92,038.25
Total	233,002.00	320,411.25

6. Financial income and expenses

Financial income

EUR	2024	2023
Interest and financial income from Group companies	6,484.48	12,087.43
Dividend income from Group companies	20,000,000.00	0.00
Interest and financial income from others	318,067.30	82,805.36
Total	20,324,551.78	94,892.79

Financial expenses

EUR	2024	2023
Interest expenses to Group companies	2,661,538.87	2,549,566.96
Interest expenses to other companies	1,447,673.94	1,181,453.75
Loan administration fees	30,825.00	43,288.68
Impairment on investments in fixed assets from Group companies	20,000,000.00	0.00
Other financial expenses	35,094.46	50,668.66
Exchange rate losses	924.35	0.88
Total	24,176,056.62	3,824,978.93

7. Income taxes

EUR	2024	2023
Income taxes on operations	−2,089,988.59	−2,010,319.56
Income taxes for previous periods	–	−19,689.32
Total	−2,089,988.59	−2,030,008.88

Deferred tax assets arising from accrual differences and from temporary differences between book values and taxation values are unrecorded in the statement of financial position, in accordance with the principle of prudence. Deferred tax assets totalled EUR 255 thousand at the end of the fiscal year.

8. Intangible assets

EUR	Intangible rights	Other long-term expenses	Total 2024	Total 2023
Acquisition cost, 1 Jan	9,237,115.98	1,530,432.31	10,767,548.29	10,767,548.29
Increases	–	28,436.16	28,436.16	–
Decreases	–	–	–	–
Transfers between items	–	–	–	–
Acquisition cost, 31 Dec	9,237,115.98	1,558,868.47	10,795,984.45	10,767,548.29
Accumulated depreciation and amortisation, 1 Jan	−6,347,765.16	−1,527,102.15	−7,874,867.31	−7,263,249.62
Depreciation	−550,352.54	−10,478.05	−560,830.59	−611,617.69
Accumulated depreciation and amortisation, 31 Dec	−6,898,117.70	−1,537,580.20	−8,435,697.90	−7,874,867.31
Book value, 1 Jan	2,889,350.82	3,330.16	2,892,680.98	3,504,298.67
Book value, 31 Dec	2,338,998.28	21,288.27	2,360,286.55	2,892,680.98

9. Property, plant and equipment

EUR	Land and water areas	Buildings and structures	Machinery and equipment	Total 2024	Total 2023
Acquisition cost, 1 Jan	16,818.79	162,905.90	3,729,000.93	3,908,725.62	3,906,466.40
Increases	–	–	6,609.80	6,609.80	2,259.22
Acquisition cost, 31 Dec	16,818.79	162,905.90	3,735,610.73	3,915,335.42	3,908,725.62
Accumulated depreciation and amortisation, 1 Jan	–	−151,367.35	−3,496,149.92	−3,647,517.27	−3,496,261.28
Depreciation	–	−6,593.46	−105,922.92	−112,516.38	−151,255.99
Accumulated depreciation and amortisation, 31 Dec	–	−157,960.81	−3,602,072.84	−3,760,033.65	−3,647,517.27
Book value, 1 Jan	16,818.79	11,538.55	232,851.01	261,208.35	410,205.12
Book value, 31 Dec	16,818.79	4,945.09	133,537.89	155,301.77	261,208.35

10. Investments

EUR	Investments in subsidiary shares	Other shares and holdings	Total 2024	Total 2023
Acquisition cost, 1 Jan	194,159,651.55	606,292.32	194,765,943.87	18,1,062,981.69
Increases	950,515.10	–	950,515.10	14,598,704.35
Decreases	–	–	–	–895,742.17
Acquisition cost, 31 Dec	195,110,166.65	606,292.32	195,716,458.97	194,765,943.87
Accumulated amortisation, 1 Jan	–28,956.00	–126,287.78	–155,243.78	–155,243.78
Impairment	–20,000,000.00	–	–20,000,000.00	–
Accumulated amortisation, 31 Dec	–20,028,956.00	–126,287.78	–20,155,243.78	–155,243.78
Book value, 1 Jan	194,130,695.55	480,004.54	194,610,700.09	180,907,737.91
Book value, 31 Dec	175,081,210.65	480,004.54	175,561,215.19	194,610,700.09

Itemisation of subsidiaries and other shares and holdings

Group companies	Domicile	Domestic segment	Share of ownership	Share of votes
Climber International AB	Stockholm	Sweden	100%	100%
Digia Finland Oy	Helsinki	Finland	100%	100%
Digia Sweden AB	Stockholm	Sweden	100%	100%
Productivity Leap Oy	Joensuu	Finland	100%	100%
Top of Minds AB	Stockholm	Sweden	100%	100%

11. Current receivables

EUR	2024	2023
Receivables from Group companies		
Accounts receivable	4,362,380.00	267,071.08
Loan receivables	167,000.00	167,000.00
Prepayments and accrued income	14,062,790.22	10,772,793.84
Accounts receivable	0.00	12,703.80
Other receivables	204,948.22	305,654.91
Prepayments and accrued income	1,842,773.91	2,139,693.08
Total	20,639,892.35	13,664,916.71

12. Shareholders' equity

EUR	2024	2023
Share capital, 1 Jan	2,087,564.50	2,087,564.50
Share capital, 31 Dec	2,087,564.50	2,087,564.50
Total restricted shareholders' equity	2,087,564.50	2,087,564.50
Unrestricted shareholders' equity reserve, 1 Jan	42,540,499.12	42,540,499.12
Unrestricted shareholders' equity reserve, 31 Dec	42,540,499.12	42,540,499.12
Accrued earnings, 1 Jan	24,258,949.40	21,954,863.49
Changes during the fiscal year		
Dividends	−4,501,146.10	−4,514,502.49
Acquisition of treasury shares	–	−1,237,419.08
Share-based payments	–	–
Accrued earnings, 31 Dec	19,757,803.30	16,202,941.92
Net profit	8,448,323.71	8,056,007.48
Total unrestricted shareholders' equity	70 746 626,13	66,799,448.52
Total shareholders' equity	72 834 190,63	68,887,013.02

Calculation of distributable shareholders' equity, 31 Dec

EUR	2024	2023
Unrestricted shareholders' equity reserve	42,540,499.12	42,540,499.12
Retained earnings	19,757,803.30	16,202,941.92
Net profit	8,448,323.71	8,056,007.48
Total	70,746,626.13	66,799,448.52

13. Non-current liabilities

EUR	2024	2023
Interest-bearing		
Non-current interest-bearing liabilities	14,000,000.00	20,500,000.00
Liabilities to Group companies		
Borrowings	50,620,580.00	–
Other non-current liabilities	–	4,371,720.25
Total	64,620,580.00	24,871,720.25

14. Current liabilities

EUR	2024	2023
Interest-bearing		
Interest-bearing liabilities	12,500,000.00	11,500,000.00
Liabilities to Group companies		
Borrowings	4,302,070.42	75,478,332.79
Total interest-bearing current liabilities	16,802,070.42	86,978,332.79
Liabilities to Group companies		
Accounts payable	150,144.40	125,364.26
Accruals and deferred income	43,413,948.12	26,768,669.16
To others		
Accounts payable	242,701.23	316,906.17
Other liabilities	5,239,670.86	4,447,016.47
Accruals and deferred income	1,488,582.27	1,293,703.49
Total interest-free current liabilities	50,535,046.88	32,951,659.55
Total current liabilities	67,337,117.30	119,929,992.34

Material items included in accrued expenses arise from the accrual of holiday pay, as well as accrued provisions for salaries and fees.

15. Contingent liabilities

Lease liabilities

EUR	2024	2023
Due during the current financial period	57,071.76	57,388.70
Due later	48,125.45	45,176.03
Total	105,197.21	102,564.73

Other lease liabilities

EUR	2024	2023
Due during the current financial period	1,577,971.46	2,271,117.36
Due later	625,950.74	1,429,928.36
Total	2,203,922.20	3,701,045.72

Other liabilities

EUR	2024	2023
Collateral pledged for own commitments		
Other	473,230.35	453,863.80
Total	473,230.35	453,863.80

16. Share-based incentive scheme

The purpose and key terms of the share-based incentive scheme are presented in section 4.4 of the consolidated financial statements.

In the 2024 fiscal year, Digia had one long-term share-based incentive scheme for senior executives: The maximum number of shares promised as share rewards in the scheme is 480,000. They represent 1.8 per cent of share capital and the total number of shares. The number of people participating in the scheme on 31 December 2024 was 21, including the CEO. The estimate of the amount of bonuses to be paid on 31 March 2026 is EUR 1,692 thousand.

Signatures to the Board's Report and Financial Statements

The financial statements, prepared in accordance with applicable accounting regulations, give a true and fair view of the assets, liabilities, financial position, and profit or loss of both the company and the group of companies included in its consolidated financial statements.

The management report contains a fair review of the development and performance of the business operations of both the company and the group of companies included in its consolidated financial statements, as well as a description of the most significant risks and uncertainties and other aspects of the company's condition.

The Group's Sustainability Report included in the management report has been prepared in accordance with the reporting standards referred to in Chapter 7 of the Accounting Act and Article 8 of the Taxonomy Regulation.

Helsinki, 25 February 2025

Robert Ingman
Chair of the Board

Martti Ala-Härkönen

Santtu Elsinen

Sari Leppänen

Henry Nieminen

Outi Taivainen

Timo Levoranta
CEO

Auditor's Note

A report of the audit has been submitted today.

Helsinki, 25 February 2025

Ernst & Young Oy
Audit firm

Terhi Mäkinen

Authorised Public Accountant

Auditor's Report (Translation of the Finnish original)

To the Annual General Meeting of Digia Plc

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Digia Plc (business identity code 0831312-4) for the financial year 1 January to 31 December 2024. The financial statements comprise the consolidated income statement, statement of comprehensive income, balance sheet, cash flow statement, statement of changes in equity and notes, including material accounting policy information, as well as the parent company's income statement, balance sheet, cash flow statement and notes.

In our opinion

- the consolidated financial statements give a true and fair view of the group's financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU.
- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report submitted to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

In our best knowledge and understanding, the non-audit services that we have provided to the parent company and group companies are in compliance with laws and regulations applicable in Finland regarding these services, and we have not provided any prohibited non-audit services referred to in Article 5(1) of regulation (EU) 537/2014. The non-audit services that we have provided have been disclosed in note 3.7 to the consolidated financial statements and note 5 to the parent company financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

We have also addressed the risk of management override of internal controls. This includes consideration of whether there was evidence of management bias that represented a risk of material misstatement due to fraud.

Key Audit Matter	How our audit addressed the Key Audit Matter
Revenue Recognition *We refer to note 3.2 of the consolidated financial statements.*	
The group has multiple sources of revenue, including work performed by people, licenses and maintenance of own products, products of third parties and their maintenance as well as services. Revenue on work performed by people is recognized over time in accordance with progress. Fixed price projects are recognized over time based on their percentage of completion. Licenses of own products are recognized when the product has been delivered and maintenance is recognized over time during the contract period. Revenue on third-party licenses is recognized on delivery. If Digia bears the responsibility of the product, revenue is recognized on gross basis and if third party bears the responsibility, the margin or commission is recognized as revenue. Revenue from services is recognized over time during the agreement period. There is a risk in revenue recognition due to various terms and conditions included in the sales contracts and management judgment required in applying percentage of completion method. Because of the risk associated with the correct timing of revenue recognition, revenue recognition was determined to be a key audit matter and a significant risk of material misstatement referred to in EU Regulation No 537/2014, point (c) of Article 10(2).	Our audit procedures to address the risk of material misstatement in respect of revenue recognition included, among others, following procedures: • We evaluated revenue recognition principles applied by the group from the perspective of applicable accounting standards. • We evaluated the applied revenue recognition methods in relation to the terms and conditions of sales contracts. • We tested the correctness of the timing of revenue recognition. • Concerning fixed price projects, we compared the estimates of project revenues to the sales agreements. • We evaluated estimates of the remaining amount of work in order to recognize potential loss-making projects. • We evaluated appropriateness and sufficiency of the notes relating to group's revenues.

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of Goodwill *We refer to note 7.1 of the consolidated financial statements.*	
At the balance sheet date of 31.12.2024 the value of goodwill amounted to 93 million euros, representing 57% of total assets and 111% of shareholders' equity (2023: goodwill 93 million euros representing 55% of total assets and 124% of shareholders' equity). Valuation of goodwill was a key audit matter because • the annual impairment testing process is complex, it includes estimates and it requires significant management judgment, • impairment testing is based on management's assumptions relating to market and economic conditions, and • goodwill is significant to the financial statements. The Board of Directors has determined that the group in its entirety is a cash generating unit subject to impairment test. The recoverable amount is determined based on value in use calculation. The outcome of the calculation may vary significantly when the underlying assumptions change. Value in use is dependent on several assumptions such as revenue growth, operating profit and discount rate applied. Changes in these assumptions may lead in impairment of goodwill.	Our audit procedures included, among others, following procedures: • We evaluated, with the assistance of our valuation specialists, the appropriateness of underlying assumptions and methods applied by the management with regards to following assumptions: forecasted revenue growth, operating profit percentage and weighted average cost of capital on discounted cash flows. • We evaluated, with the assistance of our valuation specialists, the appropriateness of sensitivity analysis and whether any reasonably possible change in an underlying assumption could cause the book value to exceed the value in use. • We compared future estimates to the budget approved by the Board of Directors, we compared the available historical information to actual outcome, and we tested the mathematical accuracy of the impairment calculation. • We compared note 7.1 of impairment testing to the disclosure requirements of the applicable accounting standard and evaluated appropriateness and sufficiency of information included the note.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing both the parent company's and the group's ability to continue as going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance on whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and, where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Reporting Requirements

Information on our audit engagement

We were first appointed as auditors by the Annual General Meeting on 21 March 2022 and our appointment represents a total period of uninterrupted engagement of 3 years.

Other information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. We have obtained the report of the Board of Directors prior to the date of this auditor's report, and the Annual Report is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions, excluding the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions. Our opinion does not cover the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Helsinki 25 February 2025

Ernst & Young Oy
Authorized Public Accountant Firm

Terhi Mäkinen
Authorized Public Accountant

Assurance report on the sustainability statement (Translation of the Finnish original)

To the Annual General Meeting of Digia Plc

We have performed a limited assurance engagement on the group sustainability statement of Digia Plc (business identity code 0831312-4) that is referred to in Chapter 7 of the Accounting Act and that is included in the report of the Board of Directors for the financial year for the financial year 1 January to 31 December 2024.

Opinion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the group sustainability statement does not comply, in all material respects, with

1) the requirements laid down in Chapter 7 of the Accounting Act and the sustainability reporting standards (ESRS);
2) the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (EU Taxonomy).

Point 1 above also contains the process in which Digia Plc has identified the information for reporting in accordance with the sustainability reporting standards (double materiality assessment) and the tagging of information as referred to in Chapter 7, Section 22 of the Accounting Act.

Our opinion does not cover the tagging of the group sustainability statement with digital XBRL sustainability tags in accordance with Chapter 7, Section 22, Subsection 1(2), of the Accounting Act, because sustainability reporting companies have not had the possibility to comply with that provision in the absence of the ESEF regulation or other European Union legislation.

Basis for Opinion

We performed the assurance of the group sustainability statement as a limited assurance engagement in compliance with good assurance practice in Finland and with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*.

Our responsibilities under this standard are further described in the *Responsibilities of the Group Sustainability Auditor* section of our report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

We draw attention to the fact that the group sustainability statement of Digia Plc that is referred to in Chapter 7 of the Accounting Act has been prepared and assurance has been provided for it for the first time for the financial year for the financial year 1 January to 31 December 2024. Our opinion does not cover the comparative information that has been presented in the group sustainability statement. Our opinion is not modified in respect of this matter.

Group Sustainability Auditor's Independence and Quality Management

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our engagement, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The group sustainability auditor applies International Standard on Quality Management ISQM 1, which requires the sustainability audit firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director of Digia Plc are responsible for:

- the group sustainability statement and for its preparation and presentation in accordance with the provisions of Chapter 7 of the Accounting Act, including the process that has been defined in the sustainability reporting standards and in which the information for reporting in accordance with the sustainability reporting standards has been identified as well as the tagging of information as referred to in Chapter 7, Section 22 of the Accounting Act and
- the compliance of the group sustainability statement with the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088;
- such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of a group sustainability statement that is free from material misstatement, whether due to fraud or error.

Inherent Limitations in the Preparation of a Sustainability Statement

The preparation of the group sustainability statement requires a materiality assessment from the company in order to identify relevant disclosures. This significantly involves management judgment and choices. Group sustainability reporting is also characterised by estimates and assumptions, as well as measurement and estimation uncertainty.

The determination of greenhouse gases is subject to inherent uncertainty due to the incomplete scientific data used to determine the emission factors and the numerical values needed to combine emissions of different gases.

In addition, when reporting forward-looking information, the company must make assumptions about possible future events and disclose the company's possible future actions in relation to these events. The actual outcome may be different because predicted events do not always occur as expected.

Responsibilities of the Group Sustainability Auditor

Our responsibility is to perform an assurance engagement to obtain limited assurance about whether the group sustainability statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the group sustainability statement.

Compliance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) requires that we exercise professional judgment and maintain professional skepticism throughout the engagement. We also:

- Identify and assess the risks of material misstatement of the group sustainability statement, whether due to fraud or error, and obtain an understanding of internal control relevant to the engagement in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Design and perform assurance procedures responsive to those risks to obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Description of the Procedures That Have Been Performed

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. The nature, timing and extent of assurance procedures selected depend on professional judgment, including the assessment of risks of material misstatement, whether due to fraud or error. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our procedures included for ex. the following:

- We have interviewed the key persons responsible for collecting and reporting the information included in the group sustainability statement.
- Through interviews, we gained an understanding of the group's control environment related to the group sustainability reporting process.
- We evaluated the implementation of the company's double materiality assessment process against the requirements of ESRS standards and the compliance of the information provided for the double materiality assessment with ESRS standards.
- We assessed whether the group sustainability statement in material respect meets the requirements of ESRS standards for material sustainability topics:
  - We have tested the accuracy of the information presented in the group sustainability statement by comparing the information on a sample basis with supporting company documentation.
  - We have on a sample basis performed analytical assurance procedures and related inquiries, recalculation and inspected documentation, as well as tested data aggregation to assess the accuracy of the group sustainability statement.
- We gained an understanding of the process by which a company has defined taxonomy-eligible and taxonomy-aligned economic activities and evaluate the regulatory compliance of the information provided.

Helsinki 25 February 2025

Ernst & Young Oy
Authorized Sustainability Audit Firm

Terhi Mäkinen
Authorized Sustainability Auditor

Independent Auditor's Report on the ESEF Consolidated Financial Statements of Digia Plc (Translation of the Finnish original)

To the Board of Directors of Digia Plc

We have performed a reasonable assurance engagement on the financial statements 743700QVAG6OXK5OP587-2024-12-31-fi.zip of Digia Plc (y-identifier: 0831312-4) that have been prepared in accordance with the Commission's regulatory technical standard for the financial year ended 31.12.2024.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the company's report of Board of Directors and financial statements (the ESEF financial statements) in such a way that they comply with the requirements of the Commission's regulatory technical standard. This responsibility includes:

- preparing the ESEF financial statements in XHTML format in accordance with Article 3 of the Commission's regulatory technical standard
- tagging the primary financial statements, notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements with iXBRL tags in accordance with Article 4 of the Commission's regulatory technical standard and
- ensuring the consistency between the ESEF financial statements and the audited financial statements.

The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of ESEF financial statements in accordance the requirements of the Commission's regulatory technical standard.

Auditor's Independence and Quality Management

We are independent of the company in accordance with the ethical requirements that are applicable in Finland and are relevant to the engagement we have performed, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The firm applies International Standard on Quality Management (ISQM) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements

Auditor's Responsibilities

Our responsibility is to, in accordance with Chapter 7, Section 8 of the Securities Markets Act, provide assurance on the financial statements that have been prepared in accordance with the Commission's technical regulatory standard. We express an opinion on whether the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, in accordance with the requirements of Article 4 of the Commission's regulatory technical standard.

Our responsibility is to indicate in our opinion to what extent the assurance has been provided. We conducted a reasonable assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000.

The engagement includes procedures to obtain evidence on:

- whether the primary financial statements in the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, with iXBRL tags in accordance with the requirements of Article 4 of the Commission's regulatory technical standard
- whether the notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, with iXBRL tags in accordance with the requirements of Article 4 of the Commission's regulatory technical standard
- whether there is consistency between the ESEF financial statements and the audited financial statements.

The nature, timing and extent of the selected procedures depend on the auditor's judgement. This includes an assessment of the risk of material deviations due to fraud or error from the requirements of the Commission's technical regulatory standard.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

Our opinion pursuant to Chapter 7, Section 8 of the Securities Markets Act is that the primary financial statements, notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements of Digia Plc 743700QVAG6OXK5OP587-2024-12-31-fi.zip for the financial year ended 31.12.2024 have been tagged, in all material respects, in accordance with the requirements of the Commission's regulatory technical standard.

Our opinion on the audit of the consolidated financial statements of Digia Plc for the financial year ended 31.12.2024 has been expressed in our auditor's report 25.2.2025. With this report we do not express an opinion on the audit of the consolidated financial statements nor express another assurance conclusion.

Helsinki 5.3.2025

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