The power of purposeful technology

ANNUAL REPORT

2024

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Business overview

We are developers of digital futures.

FOUNDED:
1968

HEADQUARTERS:
Espoo, Finland

PERSONNEL

22 941

NUMBER OF OPERATING COUNTRIES

~90

This is Tietoevry

We are a leading technology company with a strong Nordic heritage and global capabilities. Specializing in cloud, data and software, we serve thousands of enterprise and public-sector customers in approximately 90 countries. The company's shares are listed on the NASDAQ exchange in Helsinki and Stockholm, as well as on Oslo Børs.

Our specialized end-to-end businesses create business transformation in the era of data, cloud, automation and AI.

Tietoevry Create

Tietoevry Create provides design, data and digital engineering services to customers all over the world across a wide range of industries including manufacturing, telecom, healthcare, financial services and the public sector. Combining local expertise with the technical skills of a large global team, Tietoevry Create builds tailored digital solutions that align with its customers' business objectives and maximize their value.

Tietoevry Care

Tietoevry Care provides health and social care software in the Nordics. The business is modernizing the health and social care sector with modular, open and interoperable Lifecare software. Through a data-driven approach, Tietoevry Care ensures a smoother and more personalized care experience for everyone.

Tietoevry Banking

Tietoevry Banking provides financial Software-as-a-Service solutions for the Nordics and beyond. The business is modernizing banks with the low-risk implementation of market leading software for cards, transaction banking, credit & lending, financial crime prevention and wealth management, as well as a modular Banking-as-a-Platform solution.

Tietoevry Industry

Tietoevry Industry offers a high performing portfolio of modern software products. With deep industrial knowledge, the business delivers customer-centric and data-driven software solutions to specialized segments and niche markets in both the private and public sectors.

Tietoevry Tech Services

Tietoevry Tech Services is a transformation and managed services provider, focusing on Nordic-based private and public customers across various industries. With its cutting-edge digital solutions – including applications, multi-cloud, data and AI, and security services – the global team helps businesses thrive and keeps Nordic societies running.

Facts & figures

REDUCTION IN GHG EMISSIONS IN OWN OPERATIONS (SCOPE 1 & 2) SINCE 2020

87%

NEW FEMALE HIRES

34%

EMPLOYEES TRAINED IN RESPONSIBLE AI

97%

REVENUE, MEUR

2 803

ADJUSTED EBITA

12.3%

DIVIDEND YIELD

8.8%

REVENUE BY COUNTRY

CEO REVIEW

Continued focus on resilience and capturing the opportunities of AI

2024 was another dynamic year. Affected by the ongoing geopolitical uncertainty, the macroeconomic environment challenged our growth ambitions for the year.

Group-level revenue declined organically by 2% year on year. We were, however, able to maintain healthy profitability (adjusted EBITA) of 12.3% for the full year – driven by our businesses' attention to resilience and efficiency. The full-year organic growth and profitability results were aligned with the company's guidance update issued in October.

As a result of strong operating cash flow of EUR 326 million for 2024 and a solid financial position at the end of the year, the Board of Directors has decided to propose an increase in the dividend to EUR 1.50 per share, in line with our dividend policy.

In parallel with our focus on resilience, we have continued to strengthen the foundation for growth and expansion across our businesses to capture the opportunities once the macroeconomic environment recovers. Our current estimation is that this recovery will begin gradually from the second half of 2025.

Driving value from technology adoption through specialization

Over the past five decades, we have helped our customers thrive through multiple cycles of technology evolution. This has required us to reinvent ourselves several times, and we are also currently going through a multi-year strategic transformation.

From 2022, after a long period of operating as an integrated IT company, we have established specialization as our foundation for competitiveness and value creation to our stakeholders. This specialization is delivered through our five distinct businesses: Tietoevry Create (core: digital engineering), Tietoevry Banking (core: software), Tietoevry Care (core: software), Tietoevry Industry (core: software) and Tietoevry Tech Services (core: managed services).

In our view, the software and digital engineering businesses provide the strongest potential for value creation. During 2024, we continued to make consistent progress in our ambition to reposition Tietoevry as a leading company in these two domains. Tangible steps taken during the year included: our global digital engineering business Tietoevry Create renewed its operating model; we welcomed new Managing Directors to Tietoevry Create and Tietoevry Banking; and each of our specialized businesses refined their strategies.

When 2024 began, we had strategic reviews ongoing for Tietoevry Banking and Tietoevry Tech Services. On 25 April, we announced that the review of Banking was concluded, with the decision that it would remain a specialized business within the Group. On 24 October, we announced that the strategic review of Tietoevry Tech Services had progressed to an exclusive process with a non-industrial buyer. At the time of writing this report, the strategic review of Tietoevry Tech Services is expected to be concluded in March 2025.

During the year we continued to witness the advancement of Artificial Intelligence (AI) related technologies, including Generative AI. These technologies bring tremendous opportunities that will continue to be unveiled and harnessed in the years to come.

Tietoevry is actively enabling the AI agenda. Each of our specialized businesses is driving AI innovation and competitiveness in the products and services delivered to our customers as well as efficiency gains across our own software development, production and internal operations. Solutions such as GenAI-driven automated speech to text conversion in the Lifecare Electronic Health Record (EHR) and AI-enabled Financial Crime Prevention in Banking are tangible and encouraging signals of the value we can create for our customers in this area.

We also take highly seriously the ethical considerations embedded in the development and utilization of technology, including AI. During 2024, our annual training for employees included a new module on Responsible AI. We remain committed to keeping ourselves at the forefront of technology adoption, also with respect to our responsible approach.

Tietoevry Sustainability Pledge: Focus on climate action, ethical conduct and social impact

We have continued to advance our sustainability work and ambitions, taking into account the evolving regulatory landscape as well as anticipated changes both within our operating environment and society at large.

In March 2024, we launched the Tietoevry Sustainability Pledge to guide and accelerate the company's sustainability performance for 2024 and beyond. The Pledge focuses on three key pillars: climate action, ethical conduct and social impact. Each pillar includes specific areas with time-bound and measurable targets, as well as clear roadmaps to achieve them.

More details on the Pledge and our first round of annual results are available in this Annual Report & Sustainability Statement.

People matter(s)

Beyond the value that technologies such as AI bring to people, businesses and societies, technology development also fuels continuous learning and professional growth for Tietoevry employees. We encourage our people to embrace these opportunities.

Employee engagement is a key indicator of success for Tietoevry. In our latest company-wide measurement – taken during the fourth quarter – overall employee engagement remained at the healthy level of previous years, which is encouraging. Our attrition level was at its lowest level in several years, at 8.3% (down by ~2% YoY). In 2024, we welcomed approximately 2,100 new colleagues to Tietoevry.

We strongly rely on our core values of openness, trust and diversity at all times. As a concrete example, we continue to leverage the flexible hybrid ways of working co-created with our employees in 2021.

At Tietoevry we are sad to see the war in Ukraine continuing. It has been truly humbling to witness the resilience and dedication our Ukrainian colleagues continue to show under these highly stressful circumstances.

The security of our employees and our operations – including the services we provide to our customers – is always a top priority for us. Cybersecurity has now become a fundamental enabler of the digital society and continuous improvement is vital, as the threat landscape is constantly evolving.

In January 2024, one of our data centres in Sweden was partially hit by a ransomware attack, unfortunately impacting several of our customers in the country. This has been a distressing experience that underscored the reality of living in an era of growing cybercrime.

Looking ahead

We anticipate that market softness in IT services will continue into 2025, impacting all our businesses. We see customers continuing to focus on resilience and prioritizing initiatives that yield results in the short term, and the high pressure on public spending is especially visible in the Nordics. Tietoevry's business mix provides resilience in this challenging environment as our specialized businesses encompass a significant proportion of long-term customer engagements.

The shift to cloud native and data-driven technologies is highly visible as customers drive for agility, productivity and competitiveness. With the technology market evolving even further towards AI, we anticipate that this next cycle of transformation will create high demand for related services and result in healthy market growth in the coming years. Reliable data management and security practices play an increasing role in capturing AI-driven opportunities.

While the market continued to be challenging in 2024, it has been encouraging to see how our businesses are working together with customers and partners to find solutions and avenues for innovation and future growth by actively exploring and harnessing the benefits of the latest advancements in technology.

It is in our DNA as a technology company to constantly renew ourselves. At Tietoevry we are now firmly focused on strengthening our foundation for business acceleration once the macroeconomy turns upward again.

I want to sincerely thank all our stakeholders for the excellent collaboration in 2024. We look forward to continuing to work closely with you in 2025 and beyond.

Kimmo Alkio
President and CEO

Our Sustainability Pledge – reinventing the world for good

In 2024, we launched our Sustainability Pledge, focusing on the areas where we can have the biggest impact: climate action, ethical conduct and social impact. With the Pledge, we address rapid global changes and aspire to consistently meet our stakeholders' expectations.

We are committed to climate action by continuously reducing greenhouse gas (GHG) emissions and adopting circular economy practices. Being part of a sector enabling the green transition, we can make a positive impact together with our customers.

We strive to develop ethical digital solutions and ensure that all employees act responsibly and ethically in everything we do, wherever in the world we operate. We also pledge to respect human rights and foster a culture where everyone feels included.

Ensuring that we can meet the commitments in our Sustainability Pledge, we have set plans and targets for our material impacts, risks and opportunities. We share these transparently in our Sustainability Statement.

Some recent accomplishments of the Pledge include:

- 87% reduction in GHG emissions has been achieved in own operations (scope 1 and 2) since 2020.
- 97% of our employees – 23 199 individuals – were trained in Responsible AI
- 34% of new hires were female

We will continue to focus on the sustainability topics identified as having the most significant impact for people, the planet and Tietoevry's business.

We remain committed to improving in all areas towards our long-term ambitions. This includes achieving a 90% reduction in our GHG emissions by 2026, based on 2020 levels, and increasing the share of underrepresented genders in leadership positions to 30% by 2030, while fostering a culture of diversity, equity and inclusion.

Additionally, new targets will be considered and introduced along the way, to ensure we maintain our high ambition level and continue to strengthen our Sustainability Pledge.

Embedding sustainability across Tietoevry

Sustainability is a core part of Tietoevry's operations, guided by the Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS). This integration is fostering collaboration across functions, helping us to identify gaps and drive continuous improvements.

Tietoevry's Board of Directors and the Audit and Risk Committee actively oversee our sustainability strategy. These governing bodies scrutinize, challenge and contribute to our initiatives, fostering both ambition and accountability.

Our vision for 2025 and beyond is to elevate our impact alongside our customers. As the world changes, Tietoevry's Sustainability Pledge will evolve, grounded in our strong commitment to responsibility and transparency.

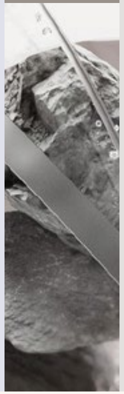
Being part of a sector enabling the green transition, we can make a positive impact together with our customers.

TIETOEVRY'S SUSTAINABILITY PLEDGE

Reinventing the world for good

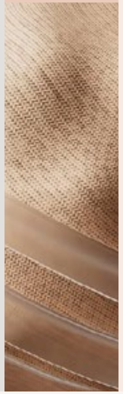
Climate action

- Ensure environmentally sustainable operations
- Strive for a carbon neutral footprint across our value chain
- Drive the development towards a circular economy in own operations and through solutions and services



Ethical conduct

- Uphold the highest ethical standards in every facet of our business
- Ensure responsible solutions, protect privacy and safeguard solid cybersecurity across all operations
- Foster responsible use of AI



Social impact

- Promote and uphold a culture of diversity, equity, and inclusivity including striving for a more equal representation of all genders in our workforce
- Committed to respect and support human rights and labour rights across our operations

Our key focus areas

- → Energy management, carbon emissions, circularity
- → Business ethics, values and integrity, data privacy, cybersecurity, Responsible AI
- → Diversity, equity and inclusion, human rights and labour rights

Customer cases

CASE / Karolinska University Hospital

Sweden's prestigious Karolinska University Hospital has implemented Tietoevry Care's Lifecare Open Platform, integrating healthcare data from across different systems to improve decision making.

Built on the openEHR standard, the Lifecare Open Platform structures clinical data in a vendor-neutral format. This enables care professionals to seamlessly access patient information for faster decision making and better care outcomes. Karolinska University Hospital is initially using the platform to streamline chemotherapy treatment planning and patient interactions.

The Lifecare Open Platform enables healthcare providers to efficiently manage their entire digital ecosystem. It also offers hospitals a way to consolidate patient records into a secure clinical data repository, with low-code tools and support for third-party integrations and modules bringing immediate operational benefits.

CASE / Siemens

In a boost for the Electric Vehicle (EV) charging industry, Siemens is using Tietoevry Banking's payment processing platform to streamline transactions at Siemens' EV charging terminals.

The collaboration eliminates the need for Siemens to perform separate integrations with each new payment service provider or acquiring bank. Drivers enjoy a seamless payment experience, while Siemens can accelerate the rollout of its charging infrastructure – incentivizing investment in and ownership of EVs.

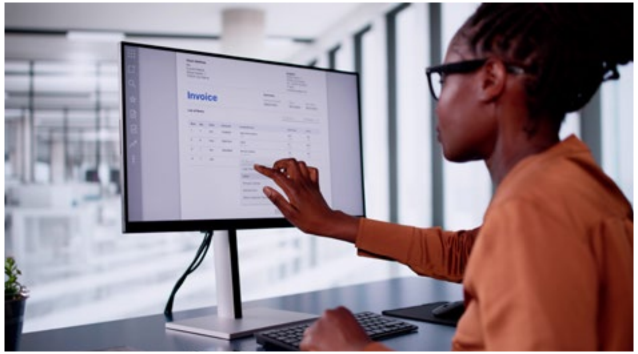
The solution is live in Finland, Norway and Sweden, with plans to expand across the rest of Europe too. This aligns with EU legislation aimed at boosting EV charging infrastructure to achieve carbon reduction goals.

CASE / Pelvital

US-based Pelvital – a MedTech company owned and led by women – collaborated with MentorMate, part of Tietoevry Create, to develop a digital solution for treating stress urinary incontinence (SUI).

Working across three continents, MentorMate enhanced the user experience of Pelvital's Flyte® device with a Bluetooth-enabled companion mobile app and a clinician web portal. The project involved rigorous research, design and prototyping, as well as close collaboration with the device manufacturer for testing and validation. Compliance with regulations around patient data and medical devices was essential.

By combining its global expertise and commitment to inclusion, MentorMate has empowered Pelvital to scale its solution and improve outcomes in women's health.



CASE / Vibb

Norwegian electricity provider Vibb implemented Tietoevry Industry's Multichannel invoicing service to enhance its customer experience and grow sustainably.

By ensuring a smooth invoicing process, the service reduces admin and boosts customer satisfaction. These improvements helped Vibb rapidly become one of Norway's top 10 electricity providers.

The Tietoevry service also minimizes environmental impact. Shared cloud infrastructure eliminates the need for on-premises or SaaS solutions, while Vibb has been able to reduce paper invoicing to less than 0.2%.

By continuously developing the service – including adding features for self-notification and direct debit – Tietoevry Industry is helping Vibb to keep customers happy in a competitive market.

Creating purposeful technology that reinvents the world for good.

CASE / Cybersecurity for Nordic organizations

Tietoevry's Nordic Cyber Resilience Report 2024 revealed gaps in Nordic organizations' preparedness against cyberattacks. With the threat level rising, Tietoevry Tech Services is helping organizations to strengthen cybersecurity by building resilience into their business processes.

A prominent example is the vulnerability management framework developed for a Swedish financial institution. Tietoevry's experts looked at both internal and external processes to identify vulnerabilities and define policies that improve cybersecurity.

In Finland, an industrial company also wanted to address vulnerabilities in a cost-effective way. Tietoevry introduced automated security testing that can easily be scaled up or down as demands evolve.

Corporate governance

Governance

Remuneration

GOVERNANCE AT TIETOEVRY

Corporate Governance Statement

Tietoevry is committed to good corporate governance. In addition to the relevant legislation and rules of the Helsinki, Oslo and Stockholm stock exchanges, Tietoevry complies with the Finnish Corporate Governance Code issued by the Securities Market Association of Finland in 2025 with the exception of the appointment procedure for electing personnel representatives to the Board of Directors (Recommendation 5) as described in detail in The Board of Directors section.

This Corporate Governance Statement has been prepared in accordance with the Finnish Corporate Governance Code 2025. The code is available at www.cgfinland.fi. This statement has been issued separately from the report by the Board of Directors and is included in the Financial Review 2024.

Annual General Meeting

Tietoevry’s supreme decision-making body is the Annual General Meeting (AGM). Every shareholder has a right to participate in the AGM and each share in Tietoevry entitles its holder to one vote. However, no shareholder is allowed to vote at a General Meeting with more than one fifth (1/5) of the votes represented at the meeting.

The AGM elects the members of the Board of Directors (including the Chairperson) and appoints auditors, decides on their compensation and discharges the members of the Board of Directors and President and CEO from liability. The AGM’s approval is required for option programmes as well as Board authorizations for share repurchases and share issues. The meeting also makes the decision on the Board’s dividend proposal.

The following persons are usually present at Tietoevry’s AGM:

- Board of Directors: Chairperson, members and new member candidates
- Group Management: President and CEO, CFO
- Auditors

For more information on the AGM 2025 and previous meetings, shareholders and participation possibilities, please visit www.tietoevry.com/agm.

AGM 2024

- In 2024, Tietoevry’s AGM convened on 13 March at Tietoevry’s headquarters in Espoo, Finland. Shareholders registered for the AGM were also able to follow the meeting through a webcast. There were 603 shareholders represented at the meeting representing altogether 76 344 601 shares and votes (~64.5% of the total outstanding shares). More information about the AGM and results of the advance voting are available on the company's website. In 2024, all resolutions were supported by advance votes of ~90% or more.

Shareholders' Nomination Board

The company's AGM decided in 2010 to establish a Shareholders' Nomination Board (SNB), which is a body of shareholders responsible for preparing the proposals to the AGM for the election and remuneration of the members of the Board of Directors (including remuneration of employee representatives).

The SNB consists of five members. Four of the members represent the four major shareholders who on 31 August held the largest number of votes conferred by all shares in the company and who wished to participate in the nomination process. The fifth member is the Chairperson of the company's Board of Directors. The term of office of the SNB members expires when a new SNB has been appointed. The SNB itself is an organ that has been established for the time being. The charter of the SNB is available on the company's website.

The SNB, based on shareholdings as at 2 September 2024, consisted of the following representatives announced by Tietoevry's shareholders:

Nominated by Solidium Oy:
Annareetta Lumme-Timonen (SNB Chairperson)
Main occupation: Investment Director, Solidium Oy
Born: 1967
Gender: female
Nationality: Finnish
Education: MSc (Eng.) and DSc (Tech.)

Nominated by Incentive AS:
Alexander Kopp
Main occupation: Investment Manager, Incentive AS
Born: 1981
Gender: male
Nationality: Norwegian
Education: A.B. (Econ.) Harvard College

Nominated by Ilmarinen Mutual Pension Insurance Company:
Mikko Lantto
Main occupation: Chief Technology and Development Officer, Ilmarinen Mutual Pension Insurance Company
Born: 1975
Gender: male
Nationality: Finnish
Education: BSc (Eng.)

Nominated by Cevian Capital Partners Ltd:
Alexander Svensson
Main occupation: Vice President, Cevian Capital AG
Born: 1991
Gender: male
Nationality: Swiss and Swedish
Education: MSc (Management, Organisations and Governance), London School of Economics,
BSc (PPE, Economics Major), University of Warwick

Representing the Board of Directors of Tietoevry Oyj:
Tomas Franzén

The SNB provided proposals to the AGM for the election and remuneration of the members of the Board of Directors on 10 January 2025. The SNB convened ten times during 2024.

The Board of Directors

It is the general obligation of Tietoevry's Board of Directors to safeguard the interests of the company and its shareholders.

Composition and election

According to Tietoevry's Articles of Association, the Board of Directors elected by the shareholders shall consist of no fewer than six and no more than twelve members. Each Board member serves a one-year term, which expires at the closing of the first AGM following their election.

The company has defined as the objective that, in addition to professional competence, Tietoevry's Board members shall be diverse in terms of gender, occupational, and professional backgrounds. Furthermore, the Board as a whole shall possess sufficient knowledge of and competence in, inter alia, the company's field of business and markets, as well as environmental, social, and governance matters.

The SNB, which consists of representatives nominated by the company's largest shareholders, prepares a proposal on the composition of the Board to be presented to the AGM for its decision. The company has ensured that the diversity principles have been included in the charter of the SNB and charter of the Board and taken into account in the SNB work and candidate search. The SNB has considered the composition of the Board with regard to its overall structure as well as the individual members' wide-ranging and mutually complementary professional expertise and experience. The SNB therefore proposed to the AGM that the Board shall be elected as a whole. In 2024, the AGM elected the members of the Board in accordance with the SNB's proposal.

Three out of nine members elected by the AGM during 2024 were female. Gender diversity is continuously on the SNB's agenda. The company will ensure that diversity principles will be updated to reflect the requirement to achieve the balanced representation of women and men on the Board no later than 30 June 2026.

In addition to the members proposed by the SNB and elected by the AGM, Tietoevry's personnel elected two members and two deputy members to the Board of Directors. This special appointment procedure is a departure from Recommendation 5 "Election of the Board of Directors" of the Corporate Governance Code. Personnel representation is based on the Finnish Act on Personnel Representation in the Administration of Undertakings, and was originally agreed between the company and personnel of the Group by way of a Personnel Representation Cooperation Agreement in 2001.

The objectives of the personnel representation are, inter alia, to provide opportunities for the personnel to influence and affect the organization, to improve communication and decision making within the Group, to increase mutual trust and confidence between corporate management and the personnel as well as to increase and develop the feeling of security among the personnel. The personnel representatives, however, are not entitled to participate in the handling of matters that concern the appointment or dismissal of corporate management, the contractual terms of the management, the terms of employment of staff or matters related to industrial actions.

Board of Directors as at 31 December 2024[1)]

Name	Born	Gender	Nationality	Education	Main occupation
Tomas Franzén (Board and RC Chairperson)	1962	male	Swedish	MSc. (Eng.)	Professional Board member
Harri-Pekka Kaukonen (Deputy Chairperson, ARC Chairperson)	1963	male	Finnish	DSc. (Tech.)	Professional Board member
Bertil Carlsén	1960	male	Swedish	MSc. (Business Adm.)	Financial advisor and professional Board member
Elisabetta Castiglioni	1964	female	Italian	Ph.D. (Tech)	CEO, A1 Digital International GmbH
Liselotte Hägertz Engstam	1960	female	Swedish	MSc. (Civ. Eng.)	Expert advisor, professional Board member
Katharina Mosheim	1976	female	Austrian	Ph.D. (Econ.)	CEO, Alpha Pianos AS, professional Board member
Gustav Moss	1988	male	Swedish	MSc. (Finance & Accounting)	Partner, Cevian Capital AB
Petter Söderström	1976	male	Finnish	MSc. (Econ.)	Investment Director, Solidium Oy
Anders Palklint (personnel representative)	1967	male	Swedish	MSc. (Eng.)	Senior Project Manager
Thomas Slettemoen (personnel representative)[2)]	1970	male	Norwegian	Education BSc. (Comp.)	Business Consultant

[1)] Endre Rangnes served as a Board member until 3 September 2024 and personnel representative Tommy Sander Aldrin until the AGM on 13 March 2024.

[2)] Board member (personnel representative) as of the AGM on 13 March 2024.

Independence and attendance in meetings of the Board and its committees in 2024

Name	Member since	Independent of company	Independent of shareholder	Board[4]	Audit and risk committee	Remuneration committee
Tomas Franzén	2019	yes	yes	16/16		5/5
Harri-Pekka Kaukonen	2016	yes	yes	14/16	7/7	
Bertil Carlsén	2023	yes	yes	16/16	7/7	
Elisabetta Castiglioni	2023	yes	yes	16/16	7/7	
Liselotte Hägertz Engstam	2018	yes	yes	16/16	7/7	
Katharina Mosheim	2020	yes	yes	16/16	7/7	
Gustav Moss	2023	yes	yes	16/16		5/5
Endre Rangnes[1]	2014	yes	yes	10/10		3/3
Petter Söderström	2023	yes	no	16/16		5/5
Tommy Sander Aldrin[2]	2023	no	yes	1/2		
Anders Palklint	2023	no	yes	15/16		
Thomas Slettemoen[3]	2024	no	yes	15/14[5]		

[1] Board member until 3 September 2024.

[2] Board member until the AGM on 13 March 2024.

[3] Board member (personnel representative) as of the AGM on 13 March 2024.

[4] One temporary Board subgroup met 17 times and the other subgroup two times. Meeting fees were paid for these meetings.

[5] One meeting as a deputy member (personnel representative).

All Board members elected by the AGM of Tietoevry are independent of the company and eight out of nine members elected by the AGM are independent of the company's significant shareholders. The independence of the members is evaluated at the Board's constitutive meeting. The Board members shall inform the Board if any changes in these circumstances occur, in which case their independence will be re-evaluated.

More detailed background information regarding the Board members, such as working experience, past and present positions of trust and remuneration, is presented on the company's website at www.tietoevry.com/investors.

Tasks

The main duties and working principles of the Board have been defined in a written charter. Additionally, the work of the Board is based on an annual action plan.

More specifically, the Board:

- approves the company's values, strategy and organizational structure
- defines the company's dividend policy
- approves the company's annual plan and budget and supervises their implementation
- monitors management succession, appoints and discharges the President and CEO
- decides on the President and CEO's compensation, sets annual targets and evaluates their accomplishment
- decides on the compensation of the President and CEO's immediate subordinates
- addresses the major risks and their management at least once a year
- reviews and approves interim reports, annual reports and consolidated financial statements and sustainability statements
- reviews and approves the company's key policies
- is accountable for guiding the organization's strategy on environmental, social and governance (ESG) topics
- meets the company's auditors at least once a year without the company's management
- appoints the members and Chairpersons of the Board's committees and defines their charters
- reviews assessments of its committees as well as the President and CEO
- evaluates its own activities.

Work

The Board has scheduled meetings every one to two months. Besides the Board members, the meetings are attended by the President and CEO, Chief Financial Officer (CFO) and General Counsel, who acts as secretary of the meetings. In addition to the scheduled meetings, the Chairperson shall convene the Board whenever needed as well as at the request of any of its members or the President and CEO.

Matters to be handled are prepared by the Board committees and the President and CEO. The Board receives information on the company's financial performance monthly and more detailed financial reports quarterly. Any material related to matters to be handled by the Board is provided four days prior to the meeting. Other case-specific materials are delivered at the management's initiative or the Board's request. Board members shall be informed about all significant company events immediately.

2024

- The Board convened 16 times in 2024 and the average attendance was 98.5%.
- The Board had seven sessions during the convened Board meetings without the management present.
- The auditors were present at one convened Board meeting.
- The Board met the auditors once without the presence of the management.

Assessment

The performance of Tietoevry's Board is assessed annually; the latest assessment was carried out by a full 360-degree evaluation during autumn 2024. Assessments review the Board's knowledge of the company's operations and management, its understanding of the field of business as well as how key ESG topics are addressed. Additionally, the effectiveness of the Board work is evaluated. The SNB is informed of the results, which are also taken into consideration when the Board draws up its next annual plan.

Committees

Tietoevry's Board is assisted by two permanent committees that prepare matters for which the Board is responsible. The Board defines the charters of the committees and decides on their composition. The Board establishes temporary subgroups whenever it is needed for a specific topic. The entire Board remains responsible for the duties assigned to the permanent committees or temporary subgroups.

Remuneration Committee

Composition

The Remuneration Committee (RC) comprises at least three non-executive directors elected by the Board. The majority of the members shall be independent of the company. The appointed person from the HR function acts as secretary of the meetings.

Based on the Board's decision, the RC was composed of the following non-executive directors who were independent of the company and of significant shareholders, except for Petter Söderström who is independent of the company and non-independent of a significant shareholder:

- Tomas Franzén (Chairperson)
- Gustav Moss
- Endre Rangnes (until 3 September 2024)
- Petter Söderström.

Work

The committee meets regularly and at least twice a year. The Chairperson of the committee reports to the Board when applicable. The main tasks of the committee are to:

- monitor the targets of the compensation schemes, implementation of the compensation schemes, performance assessment and compensation determination
- ensure that the targets set for earning the bonuses defined in the compensation scheme are met
- prepare a proposal for the Deputy Chairperson of the Board
- prepare a proposal on the committees (members and Chairpersons, and the duties and responsibilities of the committees)
- monitor corporate governance
- prepare a compensation proposal concerning the President and CEO and his immediate subordinates, and the principles of personnel compensation, including applicable ESG targets
- prepare for the Board option schemes and other share-based incentive schemes
- evaluate the performance of the President and CEO
- prepare the assessment of the Group Management
- prepare a proposal on the Board's charter.

2024

- The committee convened five times in 2024 and the average attendance was 100%.
- In addition to its normal responsibilities within the scope of its charter, the committee followed the functioning of short- and long-term incentive plans to ensure that they supported the achievement of the objectives as well as the development of the remuneration of the Group Executive Management.

Audit and Risk Committee

Composition

The Audit and Risk Committee (ARC) comprises at least three non-executive directors who are independent of the company and out of whom at least one member shall be independent of the significant shareholders. The Chairperson and the members are elected by the Board. At least one committee member must have expertise in accounting, bookkeeping or auditing. The appointed person from the Legal function acts as secretary of the meetings.

In 2024, all committee members were non-executive directors who were independent of the company and of significant shareholders. All members have extensive experience in corporate management and financial issues and therefore have the expertise referred to in the Finnish Corporate Governance Code.

Based on the Board's decision, the ARC was composed of

- Harri-Pekka Kaukonen (Chairperson)
- Bertil Carlsén
- Elisabetta Castiglioni
- Liselotte Hägertz Engstam
- Katharina Mosheim

Work

The committee convenes regularly at least four times a year and meets the company's auditors, also without the company's management present. The Chairperson of the committee reports to the Board. The main tasks of the committee are to:

- review and supervise internal control – particularly the financial reporting process – and risk management
- discuss and review the interim and annual reports, sustainability statements and the consolidated financial statements, including non-financial information
- assess compliance with legislation, official regulations and the company's Code of Conduct
- evaluate the sufficiency of internal control and the internal audit
- examine, assess and approve the internal audit plan
- assess the appropriate coverage of risk management and monitor the efficiency of risk management
- review significant risks and unusual business events
- prepare for the Board's decision a proposal for the AGM on the nomination of external auditors and their compensation
- evaluate the external auditors' independence, assess the audit plan and examine the audit reports
- monitor the statutory audit and consult with the auditors regarding matters that should be brought to the Board's attention.

2024

- The committee convened seven times in 2024 and attendance was 100%.
- In addition to its regular agenda, the committee followed up progress of operational KPIs in the end-to-end businesses as well as development in cybersecurity and privacy matters. Additionally, the committee monitored the implementation of sustainability reporting as a new matter.

The President and CEO and operative management

Members of the Group Executive Management as at 31 December 2024

Kimmo Alkio
President and CEO
Born: 1963
Gender: male
Nationality: Finnish
Education: BBA and Executive MBA
Joined Tietoevry in 2011

Cosimo de Carlo[1)]
Managing Director, Tietoevry Create
Born: 1973
Gender: male
Nationality: Italian, German
Education: Msc. (CS)
Joined Tietoevry in 2024

Kishore Ghadiyaram
Head of Strategy
Born: 1972
Gender: male
Nationality: Indian
Education: BSc. (Tech.)
Joined Tietoevry in 2008

Carsten Henke
Managing Director, Tietoevry Industry
Born: 1968
Nationality: German
Gender: male
Education: Msc. (Math)
Joined Tietoevry in 1995

Tomi Hyryläinen
Chief Financial Officer
Born: 1970
Gender: male
Nationality: Finnish
Education: MSc. (Econ.)
Joined Tietoevry in 2018

Ari Järvelä
Managing Director, Tietoevry Care
Born: 1969
Gender: male
Nationality: Finnish
Education: MSc. (Eng.)
Joined Tietoevry in 2001

Satu Kiiskinen
Managing Director, Tietoevry Tech Services
Born: 1965
Gender: female
Nationality: Finnish
Education: MSc. (Econ.)
Joined Tietoevry in 2013

Endre Rangnes[2)]
Managing Director, Tietoevry Banking
Born: 1959
Gender: male
Nationality: Norwegian
Education: BBA
Joined Tietoevry in 2024

Trond Vinje
Head of HR
Born: 1968
Gender: male
Nationality: Norwegian
Education: MSc. (Pol. Sci.)
Joined Tietoevry in 2015

The remuneration and more detailed background information, such as full CVs of the Group Management, are presented on the company's website.

[1)] Cosimo de Carlo was appointed Managing Director of Tietoevry Create, effective 1 September 2024. Harri Salomaa served as Acting Managing Director from 9 January to 1 September 2024. Prior to that, Christian Pedersen held the position of Managing Director until 9 January 2024.

[2)] Endre Rangnes was appointed Managing Director of Banking, effective 3 September 2024 after serving on the Board of Directors of Tietoevry Oyj for 10 years. Klaus Andersen held the position of Managing Director until 3 September 2024.

Shareholdings of the Group Executive Management

Name	Shares at 31 Dec 2024	Shares at 31 Dec 2023
Kimmo Alkio	127 624	103 474
Klaus Andersen[1)]	N/A	2 476
Cosimo de Carlo	0	N/A
Kishore Ghadiyaram	25 418	21 255
Carsten Henke	3 050	1 670
Tomi Hyryläinen	22 633	15 364
Ari Järvelä	26 853	22 287
Satu Kiiskinen	35 977	30 030
Christian Pedersen[2)]	N/A	15 748
Endre Rangnes	8 902	N/A
Trond Vinje	41 992	38 197

[1)] Position ended on 3 September 2024.
[2)] Position ended on 9 January 2024.

Internal control and risk management

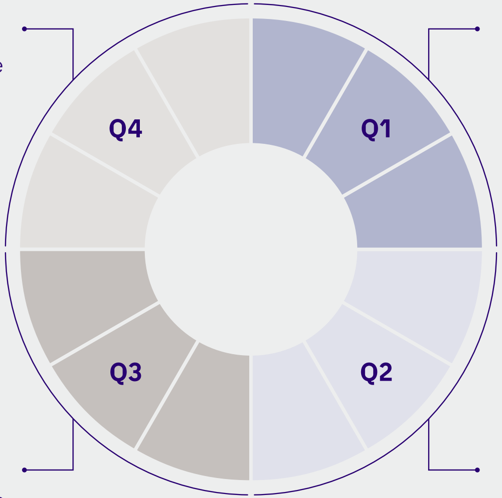
Tietoevry is committed to upholding a strong internal control environment and managing risks effectively to ensure the integrity of its financial reporting, protect its assets, and achieve strategic goals.

Our internal control framework supports strategic execution and ensures regulatory compliance. It is built on key components such as the risk management framework, financial control, internal audit, and supporting policies and processes.

The aim of Tietoevry's internal control framework is to ensure that operations are efficient and aligned with strategic objectives. It is designed to guarantee accurate, reliable, complete, and timely financial reporting and management information.

This framework promotes ethical values, good corporate governance, and sound risk management practices. Internal control and risk management activities are integrated into Tietoevry's management practices and business planning processes.

ANNUAL CLOCK FOR THE AUDIT AND RISK COMMITTEE



Q4:
- Review of major risks
- Review of Group insurances
- Privacy update
- Cybersecurity update
- Tax update
- Sustainability update
- Update on policies and rules
- Internal audit update

Q1:
- Review of Annual Report
- Review of AGM topics
- Internal audit report and plan
- Review of compliance incidents

Q3:
- Internal audit update
- Review of compliance incidents
- Sustainability update

Q2:
- Cybersecurity update
- Tax update

IN EACH MEETING / QUARTERLY:
- Review of Group financials
- Business and operational KPI review
- Review of quarterly report (quarterly)
- External auditors' update (quarterly)

Risk management framework

Tietoevry employs a systematic approach to risk management to enhance the efficiency, control, profitability, sustainability, and continuity of business operations. This involves a comprehensive process of assessing, identifying, evaluating, and analysing risks that could impact business objectives, and also people and the environment from ESG perspective. By implementing appropriate risk treatment actions, the impact and likelihood of risks are minimized.

The risk management framework comprises the risk management organization, along with related policies, processes, tools, and standardized practices. This organization is responsible for developing and maintaining the framework, which includes risk reporting, governance, and monitoring of risk exposures across strategic, financial, operational, compliance, and personnel areas. Additionally, end-to-end businesses may incorporate specific supplements to address their unique requirements.

The risk management organization consists of the Corporate Risk Management unit, nominated Risk Managers and Business Continuity Managers in the businesses and key stakeholders in functions. A group-wide Risk and Resilience Forum (for Risk and Continuity activities) has been established for information sharing, setting the direction of risk and continuity management, as well as crisis management, collaboration between units and reviewing steering documents. In addition, the Risk and Resilience Forum aligns group-wide risk management, business continuity and crisis management activities and ensures company-wide deployment of the frameworks.

Tietoevry has also specified its compliance management system, including the compliance organization, steering model, and annual plan for compliance-related activities. The Group Compliance Officer is responsible for maintaining the whistleblowing channel and coordinating investigations as well as ensuring the effectiveness and functionality of the governance model for compliance work.

Governance of risk and compliance

At Tietoevry, governance, risk, and compliance (GRC) are closely linked and consistently defined corporate policies and rules with proper controls. For instance, in the finance function, the financial reporting, compliance and risk monitoring are efficiently integrated into daily operations.

Tietoevry has invested in process automation, which is seen as a way to improve quality and reduce costs. Well-drafted policies and rules are made available to assure that the implications of automation on risk and compliance are fully understood by all parties in the organization.

Continuous development of the risk framework

The development of the GRC platform with its related framework continued during 2024. Its effectiveness is validated in business operations by means of active risk assessments of the company's assets, resulting in measurable risk reductions and risk management KPIs.

The GRC platform now comprises the following functionalities:

- Business reporting dashboards
- Risk management and improvement opportunity
- Privacy risk assessments
- Security incident management
- Audit management
- Business continuity management
- Compliance monitoring of Risk Management Policy and Rule controls
- Compliance monitoring of Business Continuity Policy and Rule controls

During 2024 Tietoevry continued to ensure Tietoevry's Risk Management Framework is aligned with ESG regulations and CSRD/ESRS reporting requirements. This alignment involved enabling registering and more precise monitoring of ESG risks in the GRC platform. Furthermore, the GRC platform was enhanced by adding compliance monitoring of Policy and Rule controls, which ensures adherence to both internal guidelines and external regulatory standards.

The GRC platform enables online visibility to the information for Group, business, function and organization level dashboards, with automated notifications to stakeholders and systematic follow-up of actions.

The development of the GRC platform, Risk Management Framework and other frameworks is carried out in close cooperation with the nominated Risk, Continuity, Security, Privacy and Quality Managers, and business leaders, and they are approved by the Group Executive Management (GEM) and validated by the Audit and Risk Committee (ARC).

Financial control

The purpose of internal control over financial reporting is to ensure the correctness of financial reporting, including interim and annual reports and the compliance of financial reporting with regulatory requirements. The ARC has the oversight role in Tietoevry's external financial reporting.

Financial reporting process and responsibilities

Tietoevry has a common accounting and reporting platform. Group consolidation and reporting are based on the reporting system, which facilitates common control requirements for all legal entities reporting to the Group. Tietoevry has a framework for internal controls in place, and continuously drives improvements in the common accounting and reporting platform to accommodate internal needs and new regulatory requirements.

Financial reporting consists of monthly performance reports, including all the key performance indicators, rolling forecasts and interim financial reports. These reports are reviewed together with relevant non-financial information.

Financial reports are regularly reviewed by the Finance Directors and leadership teams in the businesses, the GEM and the Board of Directors. The follow-up is based on a thorough comparison of the actual figures with the set objectives, forecasts, and previous periods. If the figures deviate, the GEM members are responsible for initiating corrective actions.

Internal audit

The purpose of Tietoevry's internal audit function is to provide independent, objective assurance and advisory services designed to add value and improve Tietoevry's operations. The internal audit functionally reports to the ARC and administratively to the Chief Financial Officer (CFO).

Core services aim at assessing and assuring the adequacy and effectiveness of risk management and internal control within Tietoevry. Assurance and advice is delivered via data-driven business partnering, enabling digital end-to-end assurance and assurance by design.

Internal Audit applies annual planning and regular reporting, approved by the ARC. In case of substantial changes affecting the risk landscape, the audit plan can be amended and changes addressed when needed. Main input sources for planning are the Risk Management, Legal and Compliance functions, Operational Excellence, external auditors as well as business management and the ARC. Audits are delivered via co-sourcing with adjacent functions and area subject matter experts. This enables relevance and effectiveness, positively impacting behaviour across Tietoevry.

Related-party transactions

Tietoevry maintains a list of its related parties in accordance with IAS24 and discloses the required information concerning related-party transactions in the report by the Board of Directors and notes to the consolidated financial statements.

Further, the company evaluates and monitors transactions concluded between the company and its related parties and seeks to ensure that any conflicts of interest shall be taken into account in decision making. The Board of Directors has the overall responsibility to monitor the company's measures and evaluate that related-party transactions are entered into in the ordinary course of business and concluded on normal market terms.

Reporting to the Board of Directors takes place at the meeting where the financial statements are approved. The related-party transactions are summarized in note 30 of the consolidated financial statements.

Furthermore, the company has added controls into its processes and decision-making policies to identify and duly handle any transactions with related parties. Testing of customer and supplier transactions is carried out by both the company and its external auditors.

Insider administration

Tietoevry follows the EU Market Abuse Regulation (MAR) and rules of Nasdaq Helsinki and Oslo Børs. In addition, Tietoevry's Board of Directors has adopted an internal Tietoevry Insider Rule.

Tietoevry has specified that the Board of Directors and the President and CEO of the parent company Tietoevry Corporation are subject to the requirement to notify their transactions. In addition, Tietoevry has set restrictions on trading for the members of the Group Executive Management, persons participating in the preparation of interim reports and consolidated financial statements as well as other persons who are considered to receive information of a confidential and sensitive nature in their position or service.

The managers and other persons subject to trading restrictions are prohibited from dealing in Tietoevry's shares or other financial instruments during the closed period. The closed period covers 30 calendar days before the disclosure of an interim financial report or a financial statement release including the date of disclosure (= 30 + 1 days).

Tietoevry's General Counsel is in charge of insider administration and the Group Legal and Compliance team monitors compliance with the insider regulation and takes care of necessary guidance and training.

Auditors

The ARC prepares a proposal on the appointment of Tietoevry's auditors, which is then presented to the Board of Directors and finally to the AGM for its decision. The compensation paid to the auditors is decided by the AGM and assessed annually by the ARC.

Auditing 2024

The AGM 2024 elected the firm of authorized public accountants Deloitte Oy as the company's auditor for the financial year 2024. Deloitte Oy notified the company that Authorized Public Accountant Jukka Vattulainen acts as principal auditor.

In 2024, Tietoevry Group paid the auditors a total of EUR 1.6 (1.6) million in audit fees, and a total of EUR 0.7 (0.6) million for other services.

Remuneration Report

Chairperson letter

Dear Shareholder,

On behalf of Tietoevry Board of Directors, I am pleased to present the Remuneration Report 2024. The report includes the remuneration of the members of the Board of Directors and the President and CEO (hereinafter the CEO) for the financial year 2024 and describes how the Remuneration Policy approved by the 2024 Annual General Meeting of Shareholders has been implemented. We will present this report at the Annual General Meeting in 2025 for an advisory shareholder vote.

Approach to remuneration

Our purpose as a Remuneration Committee is to ensure that remuneration plans at Tietoevry reflect the long-standing remuneration principles of aiming to attract and retain the best talent, motivate all employees and align the goals of shareholders, executives and other stakeholders to enhance the value of the company. We reward employees for high performance in achieving both individual and the company's objectives.

Tietoevry is making consistent progress in its ambition of repositioning as a leading software and digital engineering company. The company has continued its investments in new technologies in a market with lower demand. While activity level in AI and GenAI-centric products and services is accelerating, investments are at relatively early stages. The strategic reviews were key milestones during the year. Following the strategic review of Tietoevry Banking, the Board of Directors decided to further develop Tietoevry Banking as a specialized business within the Group. Strategic review of Tech Services is progressing and the company is in the final stages of negotiations on an exclusive basis with the non-industrial buyer. The strategic review is expected to conclude during March 2025. Ongoing sales process may or may not result in a transaction.

The remuneration structure aims to reinforce and support expansion and growth of the company. The incentive plans for the CEO and Group Executive Management are based on key value drivers for the respective businesses and the Group overall. With clear targets for both short-term and long-term incentives covering financial, strategic and Environmental, Social and Governance (ESG) priorities, the Board of Directors aims to support sustainable value creation for all stakeholders.

A significant proportion of the CEO’s remuneration is derived from variable pay, comprising both short-term and long-term incentives, and is described in more detail below. The Board of Directors aims to ensure that the remuneration is well aligned with the financial performance of the company and execution of the strategy, which is particularly important in times of significant ongoing renewal.

Tietoevry’s performance and remuneration in 2024

In 2024, the softer market impacted the company’s growth, especially in the consulting businesses. As a result of active cost management measures in all businesses, performance remained resilient with adjusted operating margin at the previous year's level. Tietoevry delivered adjusted operating profit of EUR 345 million, representing a margin of 12.3%.

2024 was the final year in the Performance Share Plan (PSP) 2022–2024. The plan achievement ended at 60% of target, based on the respective performance criteria set for the plan period: Absolute and relative Total Shareholder Return (TSR), Revenue Growth, as well as two ESG criteria being CO_2 Emission Reduction and Female Hiring. For relative TSR, Tietoevry's return was according to plan design compared to custom peer groups reflecting the respective businesses. Numerical achievement rates for the plan’s performance criteria are provided in the section below. The plan achievement is applied to the CEO and other plan participants.

Furthermore, the Board of Directors has evaluated the 2024 short-term incentive plan for the CEO based on the financial and strategic priorities set for the plan period as described below and resolved on a total achievement of 16% of target.

The remuneration of the Board of Directors and the CEO during the fiscal year 2024 was executed in accordance with the 2024 Remuneration Policy. No deviations from the Remuneration Policy have been made and no remuneration of the Board of Directors or the CEO has been reclaimed or restated during the fiscal year 2024.

Shareholder feedback and enhanced remuneration disclosure

Based on continuous dialogue with shareholders and review of remuneration reporting practices in Finland and Europe, we have continuously developed our remuneration reporting with the aim of providing clear and transparent information to stakeholders. In the 2023 Remuneration Report we disclosed targets for each of the measures for the CEO short-term incentive 2022 and 2023, as well as the numerical achievements rates per measure for the same plans. We also provided numerical achievement rates for each measure for the LTI 2020–2022 and LTI 2021–2023, as well as targets for the LTI 2023–2025 (ESG only) and 2024–2026 (all measures).

For the fiscal year 2024, we further improved disclosure in our remuneration reporting by providing enhanced information regarding the CEO STI strategy and portfolio targets, as well as targets for all measures relating to the active LTI plans, i.e. LTI 2023–2025, 2024–2026 and 2025–2027. We continued the practice of disclosing numerical achievement rates for the LTI plan that closed end of the fiscal year 2024.

Environmental, Social and Governance measures and link to remuneration

As part of the strategy, Tietoevry has made a long-term commitment to sustainability by increasing the focus on Environmental, Social and Governance (ESG) aspects. ESG measures were introduced in the Long-term incentive Plan 2022–2024 and have been continued since, i.e. in the plans that were implemented in 2023 and 2024 and will also be continued in the LTI 2025–2027 plan. We stay committed to our ESG agenda and continue the measures being CO_2 emission reduction and female recruits, both measures with an increased weighting compared to when they were introduced. The target levels, as disclosed below, are based on the long-term ambitions of the company and support the execution of the strategy.

On behalf of Tietoevry Remuneration Committee

Tomas Franzén
Chairperson of the Remuneration Committee

Committee members during 2024:

- Tomas Franzén
- Gustav Moss
- Endre Rangnes (until 3 September 2024)
- Petter Söderström

This Remuneration Report has been prepared in accordance with the Finnish Corporate Governance Code 2025, and the requirements set forth in the Finnish Limited Liability Companies Act, the Finnish Securities Markets Act, and the Decree of the Ministry of Finance.

Remuneration of the Board of Directors

According to the decision of Tietoevry's AGM 2024, the annual remuneration of the Board of Directors is the following:

- EUR 137 500 to the Chairperson,
- EUR 73 500 to the Deputy Chairperson and
- EUR 55 600 to the ordinary members of the Board of Directors.

In addition to these fees, the Chairperson of a permanent Board Committee receives an annual fee of EUR 20 000 and a member of a permanent Board Committee receives an annual fee of EUR 10 000. In addition, remuneration of EUR 800 is paid to the Board members elected by the Annual General Meeting for each meeting of the Board of Directors, a permanent committee or a temporary subgroup. Further, remuneration for employee representatives elected as ordinary members of the Board of Directors will be an annual fee of EUR 15 300, and remuneration for the deputy members will be EUR 7 650. Remuneration for the employee representatives is paid in cash only.

Furthermore, the AGM 2024 decided that part of the fixed annual remuneration may be paid in the company's shares purchased from the market. An elected member of the Board of Directors may, at his/her discretion, choose to receive the fee from the following alternatives:

1. No cash, 100% in shares
2. 25% in cash, 75% in shares
3. 50% in cash, 50% in shares
4. 75% in cash, 25% in shares
5. 100% in cash, no shares.

No restrictions have been set on Board members concerning how they may assign these shares, but the company recommends that Board members should retain ownership of all the shares they have received as remuneration for as long as they serve on the Tietoevry’s Board.

In addition to the share remuneration, the Board members do not belong to or are not compensated with other share-based arrangements, nor do the members have any pension plans at Tietoevry, except for the personnel representatives. Tietoevry executives or employees are not entitled to compensation for their Board positions or meeting attendance in the Group companies, except for the employee representatives elected as ordinary members to the parent company's Board of Directors. None of the Board members, except the personnel representatives, have an employment relationship or service contract with Tietoevry.

Compensation of individual Board members in 2024[1)]

	Annual remuneration, EUR		
Name	Paid in cash[2)]	To be paid in cash and shares[3)]	Meeting fees, EUR
Tomas Franzén, Chairperson Board and RC[4)]	157 500	—	30 400
Harri-Pekka Kaukonen, Deputy Chairperson, Chairperson ARC[5)]	—	93 500	24 000
Bertil Carlsén[6)]	28 000	37 600	20 000
Elisabetta Castiglioni[4)]	65 600	—	20 000
Liselotte Hägertz Engstam[4)]	65 600	—	18 400
Katharina Mosheim[4)]	65 600	—	20 000
Gustav Moss[5)]	—	65 600	29 600
Endre Rangnes[7)]	—	65 600	20 800
Petter Söderström[8)]	—	65 600	30 400
Anders Palklint, personnel rep.	15 300	—	—
Thomas Slettemoen, personnel rep.	15 300	—	—
Ilpo Waljus, personnel deputy rep.	7 650	—	—
Tommy Sander Aldrin, personnel deputy rep.	7 650	—	—
In total	**428 200**	**327 900**	**213 600**

1) The Board members have not received any other benefits.
2) Gross compensation before taxes.
3) Shares were not purchased due to the resolution by the AGM not to deliver shares due to insider regulation or other justified reason.
4) Selected 100% in cash.
5) Selected 50% in shares, 50% in cash (cash portion to be paid together with the share purchases).
6) Selected 25% in shares, 75% in cash, with part of the cash portion paid (rest of the cash portion to be paid together with the share purchases).
7) Selected 75% in shares, 25% in cash (cash portion to be paid together with the share purchases). Board member until 3 September 2024.
8) Selected 25% in shares, 75% in cash (cash portion to be paid together with the share purchases).

Board of Directors' shareholdings in Tietoevry[9)]

Name	At 31 Dec 2024	At 31 Dec 2023
Tomas Franzén, Chairperson Board and RC	13 544	13 544
Harri-Pekka Kaukonen, Deputy Chairperson, Chairperson ARC	11 475	11 475
Bertil Carlsén	1 197	1 197
Elisabetta Castiglioni	598	598
Liselotte Hägertz Engstam	4 694	4 694
Katharina Mosheim	2 365	2 365
Gustav Moss	1 197	1 197
Endre Rangnes[10)]	—	8 902
Petter Söderström	1 697	1 697

9) Corporations over which the Board members exercise control did not have shares or share-based rights on 31 December 2024.
10) Board member until 3 September 2024.

The President and CEO's total remuneration

Kimmo Alkio	Remuneration paid (fiscal year 2024)	Rewards to be paid (fiscal year 2025)
Salary	881 276	
Benefits	33 021	
Short-term incentive	404 680 (STI 2023)	EUR 105 777 (STI 2024)
Long-term incentive[1)]	844 280 (PSP 2021 –2023)	25 927 gross shares (PSP 2022–2024)
Total	2 163 257	
Fixed vs. variable compensation	42%/58%	
Pension expenditure, voluntary defined contribution (DC) plan	225 802 [2)]	

1) Total gross long-term incentive reward, which is partly delivered in shares, partly converted to cash to cover income tax.

2) Payments to defined contribution plans are recognized as expenses for the period to which they relate. After payment of the contribution, the Group has no further obligations in respect of such plans.

Variable, performance-based pay from the short-term and long-term incentive plans continues to form a substantial part of the CEO's total remuneration. In 2024, the paid short-term and long-term incentives formed 58 percent of total compensation and the fixed annual compensation 42 percent. The CEO is eligible for a defined contribution (DC) pension plan where the expenditure is 23% of the annual base salary. Retirement age is 63. No other financial benefits were paid to the CEO in 2024.

Short-term incentive

The target short-term incentive for the President and CEO is 75% of the annual base salary and the maximum incentive is 150%. The Board of Directors sets the targets on an annual basis and resolves on the incentive payout once the consolidated financial statements have been prepared. For 2024 the targets set for the CEO were related to key strategic priorities for the Group to create shareholder value and continue to strengthen Tietoevry's position as a software and digital engineering company. Based on an overall evaluation of the targets set for the year, the Board of Directors resolved on a final STI achievement of 16% of target for the CEO. The STI is to be paid in 2025.

CEO STI 2023 (paid in April 2024)

Reward targets	Weight	Target [1]	Incentive payout as % of on-target amount
Group revenue	25%	EUR 3 096 million	47%
Group adjusted profit (EBITA adj.)	25%	EUR 417 million	46%
Adjusted free cash flow	10%	EUR 210 million	0%
Strategy and portfolio targets	40%		100%
Total	**100%**		**63%**

CEO STI 2024 (to be paid in 2025)

Reward targets	Weight	Target [2]	Incentive payout as % of on-target amount
Group revenue	25%	EUR 2 942 million	0%
Group adjusted profit (EBITA adj.)	25%	EUR 374 million	0%
Group adjusted free cash flow	10%	EUR 215 million	42%
Strategy and portfolio targets	40%		30%
Total	**100%**		**16%**

[1] Measured in constant currency (2022 FX rates), adjusted for acquisitions and divestments
[2] Measured in constant currency (2023 FX rates), adjusted for acquisitions and divestments

CEO STI 2025 (potential reward in 2026)

Reward targets	Weight
Group revenue	25%
Group adjusted profit (EBITA adj.)	25%
Adjusted free cash flow	20 %
Strategy and portfolio targets	30 %
Total	**100%**

For 2025, the CEO STI plan overall structure is continued with focus on key strategic priorities for the Group to further enhance shareholder value, drive growth and expansion in select markets as well as further strengthen the position of Tietoevry as a software and digital engineering company. The weighting has been adjusted to further emphasize free cash flow as a key value driver (from 10% to 20%) and increase the overall weight on financial performance for the STI plan.

Long-term incentive

The target long-term incentive (LTI) for the President and CEO is 125% of the annual base salary and the maximum incentive is 250%. The key objective of the LTI plan is to align employees' and shareholders' interests, contribute to a competitive total remuneration and hence, attract and retain key employees within the Group. The Tietoevry LTI is a performance-based share plan designed to drive long-term value for the Group. The Board of Directors resolves each year on the establishment of a new LTI plan and sets the performance criteria, including the required performance levels for threshold, target and maximum achievement. The performance criteria are set for the three-year plan period and reflect key value drivers and long-term strategic priorities. See table below for details.

The Tietoevry LTI plan places high emphasis on total shareholder return (TSR) to drive alignment of interest between key employees and shareholders. The relative TSR measure has evolved over year to reflect the business strategy and market context, and where reference below is made to an index, the European Software and Services Index is applied. Each year the Board of Directors resolves on nomination of the CEO to the LTI plan and a target grant in the form of number of gross shares. Upon plan closing and preparation of consolidated accounts, the Board of Directors resolves on the plan achievement and consequently the number of shares to be delivered.

	Delivered in 2024	Active plans in 2024			For implementation in 2025
Performance Period	**LTI 2021–2023**	**LTI 2022–2024**	**LTI 2023–2025**	**LTI 2024–2026**	**LTI 2025–2027**
Performance criteria and targets. Weights in brackets.					
	Relative TSR (33%)	Relative TSR (18%) Absolute TSR (42%)	Relative TSR (80%) Target: 50th percentile vs. peer group	Relative TSR (50%) Target: Index +1% Absolute TSR (30%) Target: 9% (annual)	Relative TSR (40%) Target: Index median Absolute TSR (40%) Target: 10% (annual)
	Revenue growth (34%)	Revenue growth (30%)			
	EPS (33%)	ESG: CO_2 emission (5%) Target: 72% reduction from 2020 baseline by the end of 2024	ESG: CO_2 emission (10%) Target: 87% reduction from 2020 baseline by the end of 2025	ESG: CO_2 emission (10%) Target: 90% reduction from 2020 baseline by the end of 2026	ESG: CO_2 emission (10%) Target: 40% reduction from 2024 baseline by the end of 2027
		ESG: Female recruits (5%) Target: 35% by end of 2024	ESG: Female recruits (10%) Target: 37% by end of 2025	ESG: Female recruits (10%) Target: 38% by end of 2026	ESG: Female recruits (10%) Target: 39% by end of 2027
Plan achievement	Total: 118%	Total: 60%	n/a	n/a	n/a
	Relative TSR: 84%	Relative TSR: 200% Absolute TSR: 0%			
	Revenue growth: 200%	Revenue growth: 44%			
	EPS: 68%	CO_2 emission: 147%			
		Gender diversity: 72%			

LTI grants and delivery	2024 (PSP 2021–2023)	2025	2026	2027	2028
The President and CEO					
Target grant (% of base salary)	125%	125%	125%	125%	125%
Target grant (number of shares)[1)]	37 900	43 212	37 900	50 333	65 175
Maximum grant (number of shares) (200%)	75 800	86 424	75 800	100 666	130 350
Delivery (gross number of shares)[2)]	44 722	25 927	n/a	n/a	n/a
Share price at delivery	18.8784	n/a	n/a	n/a	n/a

[1)] Based on share price at grant, i.e. Volume Weighted Average Share Price (VWAP) at grant.

[2)] Total number of gross shares based on plan achievement and VWAP at delivery. The LTI delivery is subject to taxation and so the actual number of net shares received depends on the individual tax rate.

Information on the shares held by the President and CEO is available on the company's website at www.tietoevry.com/investors under the insider register.

Comparative remuneration data

		2020	2021	2022	2023	2024
Revenue	EUR million	2 786.4	2 823.4	2 928.1	2 851.4	2 802.6
Operating profit (EBIT)[4]	EUR million	146.7	382.0	266.5	255.6	29.8
Board remuneration[1]						
Chairperson	Annual remuneration, EUR	125 000	125 000	128 500	133 000	137 500
Deputy chairperson	Annual remuneration, EUR	70 000	70 000	72 000	72 000	73 500
Board member	Annual remuneration, EUR	53 000	53 000	54 500	54 500	55 600
	Meeting fee, EUR/meeting	800	800	800	800	800
Employee representative	Annual remuneration, EUR	15 000	15 000	15 000	15 000	15 300
CEO paid remuneration[2]	EUR	2 636 446	2 404 562	2 248 409	3 631 462	2 389 059
Employee remuneration[3]	EUR, average per employee	62 452	64 084	65 454	64 761	66 387

[1] Post-merger, in addition to these fees, the Chairperson of a permanent Board Committee receives an annual fee of EUR 20 000 and a member of a permanent Board Committee receives an annual fee of EUR 10 000. Deputy members of the personnel representatives received an annual fee of EUR 7 500 in 2023 and EUR 7 650 in 2024.

[2] The CEO's remuneration consists of gross rewards paid during the fiscal year. 2020 include a merger success bonus related to the merger of Tieto and EVRY.

[3] Employee average compensation is based on personnel expenses divided by the average number of employees.

[4] In 2021, Tietoevry's operating profit included EUR 104.0 million in capital gains from divestments, whereas in 2020, adjustment items included substantial costs related to integration. In 2024, Tietoevry recorded a goodwill impairment loss of EUR 200.0 million. Eliminating all adjustment items and goodwill impairment, adjusted operating profit (EBITA) stood at EUR 355.0 million (2020), EUR 367.8 million (2021), EUR 379.2 million (2022), EUR 358.7 million (2023) and EUR 344.7 million (2024).

[1] Unaudited

[2] Assured

These Financial Statements and Report by the Board of Directors 2024 in pdf format have been published voluntarily and are not an xHTML document compliant with the ESEF (European Single Electronic Format) regulation. Tietoevry's Financial Statements and Report by the Board of Directors 2024 in accordance with ESEF regulations are available at www.tietoevry.com/investors.

Board review

Board review

About Tietoevry

Tietoevry Corporation, a public limited liability company headquartered in Finland, is a leading Nordic digital services and software company that employs around 23 000 experts globally. Tietoevry serves thousands of enterprise and public sector customers in around 90 countries. The company's shares are listed on the NASDAQ in Helsinki and Stockholm and the Oslo Børs.

The company's services comprise software, data and digital engineering as well as managed services and transformation, and related capabilities to support customers' business renewal, innovation and efficient operations. Tietoevry's role varies from consulting and advisory, designing and building solutions to running IT operations. Competitiveness is based on solutions combining best-of-breed technologies with consulting and integration capabilities, industrialized service delivery and strong global delivery capability.

To capture cloud-native and AI-enabled market opportunities, Tietoevry's five specialized businesses have full operational responsibility, including go-to-market, service portfolio as well as investments and partnerships to drive scale and expansion.

The Group's segments are described in the Strategy section.

Highlights of 2024

- Tietoevry continued its strategy execution aiming to reposition the company as a leading software and digital engineering player globally.
- Tietoevry Tech Services strategic review is expected to be concluded in March 2025. The sales process with the non-industrial buyer is in final stages. Sales process may or may not result in a transaction.
- Related to the strategic review of Tietoevry Banking, the Board of Directors decided in April to further develop the business as a specialized business within the Group.
- The company announced appointments in the Group Executive Management. Cosimo De Carlo was appointed as Managing Director of Tietoevry Create, effective 1 September 2024, and Endre Rangnes was appointed as the Managing Director of Tietoevry Banking, effective 3 September 2024.
- Tietoevry continued to actively invest and promote reskilling towards new technologies of cloud, data and AI.
- In January 2024, Tietoevry experienced a criminal ransomware attack in one of its data centres in Sweden. Ransomware-event related customer contract settlements impacted Tietoevry Tech Services' growth and profitability.
- During the year, the company won contracts covering new technologies in the areas of data, cloud and AI/GenAI, described in section Major agreements.
- In the full year, revenue was down by 2%. Organically[1)], revenue was down by 2%. Adjusted operating profit[2)] (EBITA) was EUR 344.7 (358.7) million, representing a margin of 12.3% (12.6).
- Operating profit (EBIT) amounted to EUR 29.8 (255.6) million, impacted by a non-cash charge of EUR 200 million in impairment losses related to the goodwill held in Tietoevry Tech Services.

[1)] Adjusted for currency effects and impact from acquisitions and divestments.

[2)] Adjustment items include restructuring costs, capital gains/losses, impairment charges and other items affecting comparability.

Five-year key figures

	2024	2023	2022	2021	2020
Revenue, EUR million	2 802.6	2 851.4	2 928.1	2 823.4	2 786.4
Operating profit (EBIT), EUR million	29.8	255.6	266.5	382.0	146.7
Operating margin (EBIT), %	1.1	9.0	9.1	13.5	5.3
Adjusted[1)] operating profit (EBITA[2)]), EUR million	344.7	358.7	379.2	367.8	355.0
Adjusted[1)] operating margin (EBITA[2)]), %	12.3	12.6	13.0	13.0	12.7
Profit/loss before taxes, EUR million	-21.8	220.8	242.8	353.8	122.4
Earnings per share, EUR					
Basic	-0.53	1.45	1.59	2.46	0.80
Diluted	-0.53	1.45	1.59	2.46	0.80
Equity per share, EUR	10.95	13.62	14.52	15.38	13.73
Dividend per share[3)], EUR	1.50	1.47	1.45	1.40	1.32
Capital expenditure, EUR million	85.0	85.3	92.9	80.8	83.5
Acquisitions (cash outflows), EUR million	1.0	156.3	—	—	0.6
Return on equity, 12-month rolling, %	-4.3	10.3	10.7	16.9	5.7
Return on capital employed, 12-month rolling, %	1.4	9.8	9.9	13.7	5.2
Gearing, %	67.2	56.6	39.5	33.5	54.3
Interest-bearing net debt, EUR million	871.8	911.8	679.1	610.6	883.3
Equity ratio, %	43.1	46.7	51.5	51.6	45.9
Personnel on average	23 593	24 181	24 401	23 824	23 788
Personnel on 31 Dec	22 941	24 159	24 320	24 389	23 632

[1)] Adjustment items include restructuring costs, capital gains/losses, impairment charges and other items affecting comparability.

[2)] Profit before interests, taxes, amortization of acquisition-related intangible assets and goodwill impairment.

[3)] For 2024, distribution of dividend and/or return of capital

See calculation of key figures on page Alternative performance measures.

IT market development

Market softness in IT services is anticipated to continue into 2025 and the lower-demand environment to also impact software businesses. Customers continue to focus on resilience, prioritizing investments in initiatives that yield results in the short term. High pressure on public spending continues, especially in the Nordics. Tietoevry's business mix, however, provides resilience, as specialized businesses comprise a significant proportion of long-term customer engagements. Currently, the market is expected to recover gradually during the second half of the year.

The shift to cloud native and data-driven technologies continues to be at the core of customers' drive for agility, productivity and competitiveness. The technology market continues to evolve further, building on cloud native technologies towards Artificial Intelligence (AI). AI market adoption is accelerating. This next cycle of transformation is providing high demand for cloud native, data services and AI-embedded software, and is expected to result in over 10% market growth in this area. AI involving multiple technologies such as machine learning, natural language processing and generative AI is enabling multiple use-cases across industries, augmenting productivity, decision support and autonomous operations alike. While these technologies bring enhanced experiences, products and services to customers, they also increase privacy, security and misinformation risks. Reliable data management and security practices play a major role in capturing AI-driven opportunities.

Customers also continue to emphasize data sovereignty, security and business continuity as they adopt cloud technologies, with multi-cloud becoming a default. Outsourcing demand with embedded transformation to cloud is expected to continue, resulting in volume decline of up to 10% over time in traditional services. Service providers may be affected by customer demands for price reductions. IT service companies' ability to increase prices and margins remains limited.

Specialization-based strategy for greater value to all stakeholders

Tietoevry's strategy aims to capture cloud-native and AI-enabled market opportunities through specialized software, digital engineering and managed services businesses. Each business aims to be among the best in the market. Specialization drives a best-in-class customer proposition and attracts talent.

Specialized businesses taking advantage of cloud, data and software market growth

Specialization forms the cornerstone of Tietoevry's strategy. The company's five specialized end-to-end businesses aim to take advantage of cloud, data and software market growth. The individual businesses have operational independence to build scale and prioritize investments, reflecting the distinct market dynamics, business proposition and value potential of each. The businesses are described at www.tietoevry.com.

Repositioning Tietoevry as a leading software and digital engineering player globally

Tietoevry aims to unlock value through a strategic review of Tietoevry Tech Services. With the strategic review, the company seeks to drive the competitiveness of the business. The success of businesses with an outsourcing foundation relies on the scale of capabilities and infrastructure volumes needed to drive customers' continuous efficiency, agility and modernization needs. The strategic review is progressing and the company is in the final stages of negotiations on an exclusive basis with the non-industrial buyer. The process is expected to conclude during March. Ongoing negotiations may or may not result in a transaction.

Tietoevry's specialized businesses across digital engineering, software and managed services and transformation businesses are:

- **Tietoevry Create** accelerates customers' digital agenda to create competitive products and data-driven businesses utilizing design, data and cloud technologies. This is a global business with software and data engineering at its core.
- **Tietoevry Banking** is a provider of scalable Banking-as-a-Service platform and leading software products to drive digital transformation and efficiency for financial institutions.
- **Tietoevry Care** provides modular and interoperable software, reinventing Nordic health and social care to enhance the care personnel and citizen experience.
- **Tietoevry Industry** is a portfolio of distinct competitive software and data solutions across a wide variety of industry domains. These domains include the public sector, pulp & paper and utilities.
- **Tietoevry Tech Services** drives enterprise-wide transformation across customers' business processes, applications and infrastructure. Deep customer knowledge, global cloud & data competencies, automated operations and a multi-cloud platform provider with a full range of infrastructure choices at scale form its foundation.

Financial performance

	1–12/2024	1–12/2023
Revenue, EUR million	2 802.6	2 851.4
Change, %	-2	-3
Organic growth, %	-2	4
Operating profit (EBIT), EUR million	29.8	255.6
Operating margin (EBIT), %	1.1	9.0
Adjusted operating profit (EBITA), EUR million	344.7	358.7
Adjusted operating margin (EBITA), %	12.3	12.6
EPS, EUR	-0.53	1.45
Net cash flow from operations, EUR million	325.7	266.1
Capital expenditure, EUR million	85.0	85.3

Full-year revenue was down by 2% to EUR 2 802.6 (2 851.4) million. Exchange rates had a negative impact of EUR 16 million on revenue compared to 2023. Net impact of acquisitions and divestments was positive at EUR 37 million. Organically, revenue was down by 2%. Full-year operating profit (EBIT) amounted to EUR 29.8 (255.6) million, representing a margin of 1.1% (9.0). Operating profit was impacted by a non-cash charge of EUR 200 million in impairment losses related to the goodwill held in Tietoevry Tech Services. More details in note 14 to the Financial Statements. Operating profit includes EUR -71.1 (-61.2) million in adjustment items. Adjusted operating profit (EBITA) stood at EUR 344.7 (358.7) million, or 12.3% (12.6) of revenue. Further details on adjustment items are available in the Alternative Performance Measures paragraph.

Depreciation and amortization amounted to EUR 162.2 (152.4) million, including EUR 58.0 (59.8) million in depreciation of right-of-use assets and EUR 43.8 (41.8) million in amortization of acquisition-related intangible assets. Net financial expenses stood at EUR 51.6 (34.9) million. Net interest expenses were EUR 43.7 (34.1) million and net losses from foreign exchange transactions EUR 2.6 (gains 3.1) million. Other financial income and expenses amounted to EUR -5.4 (-3.9) million.

Earnings per share (EPS) totalled EUR -0.53 (1.45). Adjusted earnings per share amounted to EUR 1.92 (2.14).

Cash flow and investments

Full-year net cash flow from operating activities amounted to EUR 325.7 (266.1) million, including an decrease of EUR 26.4 (increase of 95.2) million in net working capital.

Capital expenditure totalled EUR 85.0 (85.3) million, mainly consisting of capitalized costs for the development of software, investments in data centres and business-related software licences. Full-year capitalized costs for industry-specific software amounted to EUR 45.2 (44.7) million. Capital expenditure represented 3.0% (3.0) of revenue.

Financial performance by segment

	Revenue, EUR million 1–12/2024	Revenue, EUR million 1–12/2023	Growth, %	Organic growth, %	Adjusted operating profit, EUR million 1–12/2024	Adjusted operating profit, EUR million 1–12/2023	Adjusted operating margin, % 1–12/2024	Adjusted operating margin, % 1–12/2023
Tietoevry Create	836.9	852.3	-2	-5	100.1	114.6	12.0	13.4
Tietoevry Banking	580.4	567.2	2	4	72.0	68.9	12.4	12.1
Tietoevry Care	231.3	232.8	-1	-1	68.2	70.2	29.5	30.1
Tietoevry Industry	263.7	262.6	0	1	39.4	43.4	15.0	16.5
Tietoevry Tech Services	1 000.7	1 072.7	-7	-6	88.7	85.7	8.9	8.0
Eliminations and non-allocated costs	-110.4	-136.1	—	—	-23.7	-24.0	—	—
Total	**2 802.6**	**2 851.4**	**-2**	**-2**	**344.7**	**358.7**	**12.3**	**12.6**

In **Tietoevry Create**, revenue was organically down by 5%. The market remained weak throughout the year with macroeconomic uncertainties impacting all regions. The business launched a new operating model during the year to drive customer-centricity, service innovation, global scale and efficiency. The business also initiated measures to adjust its capacity to market demand.

In **Tietoevry Banking**, revenue was organically up by 4%. Growth was strongest in the Cards, Financial Crime Prevention and Credit businesses while increasing market softness started to have an impact during the second half of the year. Profitability improved due to active measures to drive efficiency.

In **Tietoevry Care**, revenue was organically down by 1%. Growth was affected by public sector deficits in Finland and Sweden. Towards the end of the year, the declining legacy product business had a further negative impact on growth. Lifecare solutions remained competitive and the data & analytics business grew strongly. The business continued to deliver strong profitability during the year.

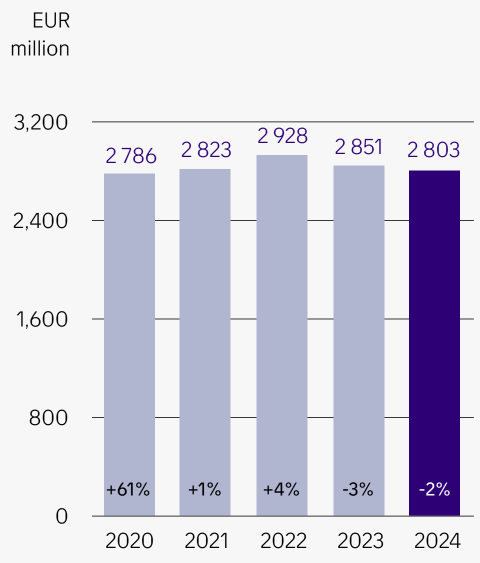
In **Tietoevry Industry**, revenue was organically up by 1%. The market environment impacted demand in the pulp, paper and fibre industry and the public sector, especially in Finland, whereas growth in Data Platform Services continued. Full-year profitability decreased primarily due to weak performance in the fourth quarter.

In **Tietoevry Tech Services**, revenue was organically down by 6%. Growth was impacted by continued market softness and volatility in hardware and software reselling. Cloud platform and security services saw growth whereas traditional infrastructure services' market continued to decline. Profitability improved, driven by efficiency management while ransomware event-related customer settlements strained growth and profitability by approximately 1 percentage point in the full year.

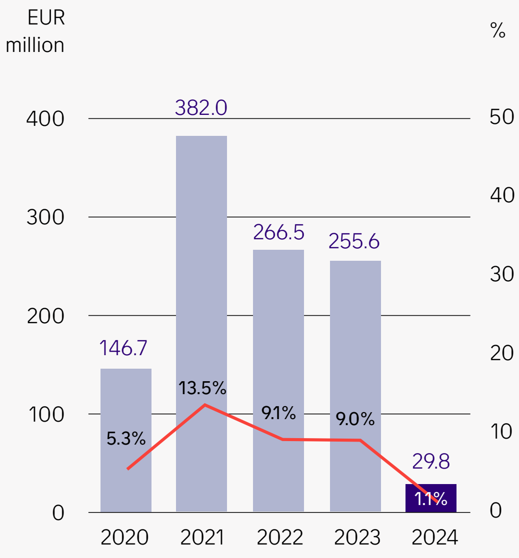
Related to the criminal ransomware attack in one of its data centres in Sweden, the company recorded costs of approximately EUR 1.5 million in 2024, included in adjustment items, and contractual service level agreement (SLA) penalties of approximately EUR 0.6 million as a reduction revenue. Further, Tietoevry received claims for damages from customers and the Group recorded EUR 7.6 million as a reduction in revenue. In the full year, ransomware event-related customer contract settlements strained Tech Services' growth and profitability by approximately 1 percentage point. The claims process is ongoing with the insurance provider. More details in note 6 to the Financial Statements.

For a comprehensive set of segment figures, see note 5 to the Financial Statements.

REVENUE AND GROWTH

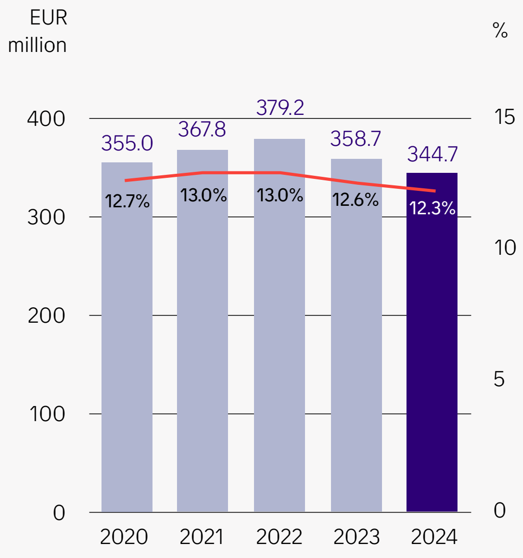


OPERATING PROFIT (EBIT) AND MARGIN

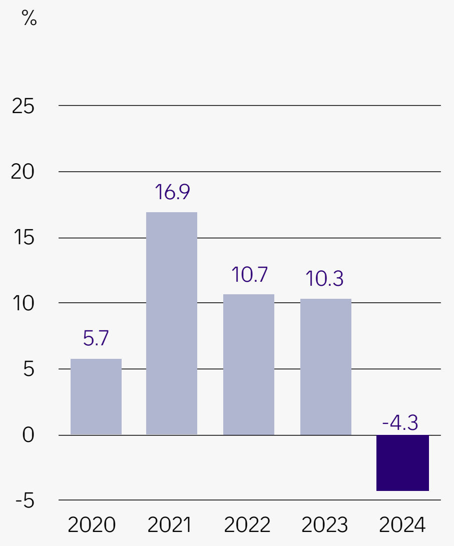


Operating profit for 2024 includes a non-cash charge of EUR 200 million in impairment losses

ADJUSTED OPERATING PROFIT (EBITA) AND MARGIN

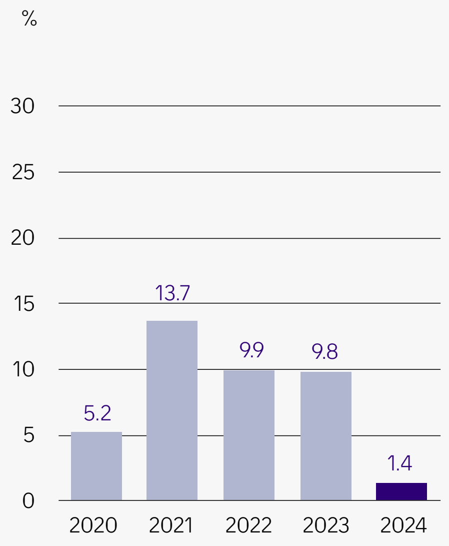


RETURN ON EQUITY, %



Return on equity for 2024 impacted by a non-cash charge of EUR 200 million in impairment losses

RETURN ON CAPITAL EMPLOYED, %



Return on capital employed for 2024 impacted by a non-cash charge of EUR 200 million in impairment losses

Financial position at the end of the period

The equity ratio was 43.1% (46.7). Gearing was 67.2% (56.6). Interest-bearing net debt totalled EUR 871.8 (911.8) million, including EUR 904.5 (951.4) million in interest-bearing debt, EUR 193.0 (211.7) million in lease liabilities, EUR 1.4 (2.2) million in finance lease receivables, EUR 29.2 (29.5) million in other interest-bearing receivables and EUR 195.1 (219.6) million in cash and cash equivalents.

Interest-bearing long-term liabilities amounted to EUR 712.1 (701.0) million at the end of December. In 2024, the company made a draw-down of new term loans of EUR 120 million and EUR 130 million, maturing in 2027, and a term loan of EUR 100 million, maturing in 2026. Additionally, the company's interest-bearing long-term liabilities primarily comprise a term loan of EUR 174 million, maturing in 2028, and lease liabilities of EUR 142.6 million.

Interest-bearing short-term liabilities amounted to EUR 385.4 (462.2) million, mainly comprising a EUR 300 million bond, maturing in June 2025, and lease liabilities.

In December, the company signed a two-year term loan facility of EUR 300 million from Nordea Bank Abp, Danske Bank A/S and OP Corporate Bank plc to be used for refinancing of the EUR 300 million bond.

Tietoevry's sustainability-linked revolving credit facility of EUR 250 million was not in use at the end of December. The revolving credit facility matures in 2028 and has a one-year extension option. It is linked to selected sustainability targets of Tietoevry and hence supports the company’s commitments to Science Based Targets.

Investments and development

A significant part of the company’s investments are made in areas such as its own industry-specific software, data and analytics/AI and cloud services. Tietoevry’s development costs amounted to around EUR 131 (2023: 129 and 2022: 124) million, representing 4.7% (2023: 4.5% and 2022: 4.2%) of the Group's revenue, including capitalized costs.

Order backlog

Tietoevry's order backlog amounted to EUR 3 261 (3 236) million at the end of December. Adjusted for the impact of exchange rates, acquisitions and divestments, the order backlog was up by 2% from the level of the corresponding period of 2023. The order backlog includes all signed customer orders that have not been recognized as revenue, including estimates of the value of consumption-based contracts.

The significance of traditional measures for the order backlog is impacted by the shift from traditional large outsourcing agreements towards agile methods and consumption-based business models. Additionally, traditional development programmes are cut into smaller projects.

Personnel

The number of full-time employees amounted to 22 941 (24 159) at the end of December. The number of full-time employees in the global competence centres totalled 12 153 (12 789), or 53.0% (52.9) of all personnel. The 12-month rolling employee turnover stood at 8.3% (10.1) at the end of December. Tietoevry believes that a normal attrition level is 10–12%.

Group-level salary inflation in 2024 was 4.5%. It is offset by a number of actions, including price increases, further offshoring, automation, management of the competence pyramid and overall cost efficiency across businesses.

Group personnel and remuneration

	2024	2023	2022
Number of full-time employees, 31 December	22 941	24 159	24 320
Average number of full-time employees	23 593	24 181	24 401
12-month rolling employee turnover, %	8.3	10.1	14.4
Employee benefit expenses, EUR million	1 566	1 566	1 597

Tietoevry's Human Resources (HR) function facilitates and enables the development of the company's workforce. It also ensures that the company's practices and employee experience improve in line with market changes. The function is led by the Head of HR, while the five business HR leads are responsible for business-specific HR operations and agendas.

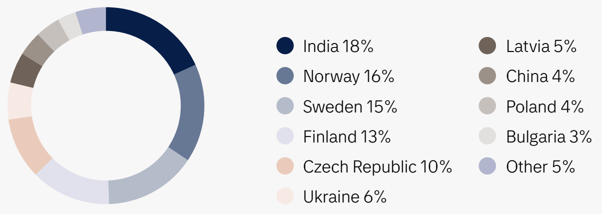
During the year, the company developed a new Human Resource Policy. New targets related to gender equality, equal pay and diversity were also developed and implemented. The completion of Code of Conduct training, which includes e-learning modules about diversity, equity and inclusion (DEI), continued to be mandatory for all employees during the year. In 2024, Tietoevry introduced new Responsible AI e-learning based on the company's updated AI Policy and Rules.

Tietoevry invests in the competence development and continuous learning of its employees. The company's development and performance management framework, MyGrowth, continues to support personal and professional growth through dynamic goal setting, continuous feedback, and frequent development conversations.

Employee engagement activities are followed up through OurVoice, an employee engagement survey. In the survey, employees provide feedback across multiple engagement drivers. The employee engagement score was somewhat down from the previous year.

More information about the company's sustainable practices and actions taken in 2024 is provided in the Sustainability Statement.

PERSONNEL BY COUNTRY



Performance in 2025

Market softness in IT services is anticipated to continue into 2025. Tietoevry currently expects its organic growth to be in the range of -3% to +1% in the full year. The lower end of the range assumes that market uncertainty will continue in the second half of the year whereas the upper end assumes that the market will gradually pick up during the year. Visibility to the IT market in the full year is weak and the company currently expects low to modest market recovery in the second half of the year. First-quarter growth is anticipated to be negative.

Tietoevry currently expects full-year adjusted operating profit margin to be 12.0%–13.0%. The company estimates salary inflation to be 4–5% on average for 2025. Tietoevry is also impacted by overall cost inflation, visible in items such as subcontracting, technology costs, premises, electricity and software licences. The negative impact is mitigated by a number of actions including price increases, further offshoring, automation, management of the competence pyramid and overall cost efficiency across businesses.

Continued focus on efficiency is expected to support profitability. For 2025, one-time costs for the Group are expected to decrease to 1.0–1.5% of revenue. Efficiency measures, impairments and other one-time items are expected to average around 1% of revenue over time. In addition, the completion of Tietoevry Tech Services' strategic review might result in additional one-time costs.

Major agreements

In collaboration with Helsinki University Hospital, Tietoevry Care is developing an artificial intelligence solution that enables rapid identification of rare diseases. The research results have potential to speed up the diagnosis of rare diseases, improve patient care and avoid the costly process of delayed or misdirected treatments and medicines. Early diagnosis often results in less need for treatment and the research has the potential to facilitate doctors' work and improve patient care, ultimately leading to an enhanced quality of life for patients. The AI solution can bring forward the diagnosis by months or even years.

Svea Perintä Oy chose Tietoevry Industry to deliver the Multichannel solution in Finland. Multichannel will handle outbound communication – primarily consisting of payment reminder and debt collection letters – for Svea Perintä Oy. Through the implementation of the Multichannel solution, Svea Perintä Oy will gain access to new digital distribution channels yielding improvements in both cost-efficiency and customer experience.

Modern Karton AS selected Tietoevry Industry's mill execution system for implementation across its three mills in Turkey and the UK. With this implementation, the customer aims to modernize its operations, increase flexibility to meet market demands, prioritize sustainable products, and support organic growth and higher profitability. The partnership underscores a commitment to innovation and operational excellence, positioning Modern Karton as a leading vendor in its market.

Tietoevry Care was chosen to deliver its Lifecare client information system to Satakunta wellbeing services county. The deployment of a shared information system in Satakunta will improve and harmonize social care services – the Lifecare system will replace the county's six social information systems, enabling better management and understanding of social care customers. Furthermore, Tietoevry Care's Lifecare patient information system is strengthening its position in the wellbeing services county of Satakunta through an expansion of the system, taking place in spring 2025. The system will harmonize primary healthcare and dental healthcare in the county by improving the quality of care and services as well as promoting operational efficiency.

Tietoevry Care has won a significant contract to implement its Lifecare Open Platform solution at Karolinska University Hospital in Sweden. The platform is based on an open standard for electronic health records, openEHR. The Lifecare Open Platform complements existing healthcare systems by compiling information from various sources into a seamless user experience. The platform enables improved management of patient data and care processes, and more efficient and patient-centred care with less administration.

Handelsbanken Norway has entered into a new agreement with Tietoevry Banking. Central to the agreement is the migration to a new modern core banking solution that is modular and based on high-level APIs, making it easy to integrate with new solutions that support Handelsbanken's channel strategy.

The wellbeing services county of Southwest Finland chose Tietoevry Care's Lifecare solution with a view to helping care workers in their daily work in various locations across Southwest Finland, and enabling the provision of equal services to the county's 500 000 residents. The system covers, for example, the provision of care for families with children, the elderly, people with disabilities and child protection.

Tietoevry Industry entered into an agreement with the Norwegian Labour and Welfare Administration (NAV) to enhance the digitization and automation of NAV's information and document processes. Public 360° Online with AI embedded will simplify information management for both administration and operational activities.

Tietoevry Create has been chosen to support, maintain and develop websites and digital service platforms intended for Business Finland's customers and stakeholders. Business Finland is an organization that promotes the growth and internationalization of Finnish companies.

Tietoevry Banking and Geldmaat agreed on a renewal of their strategic partnership. Following several years of successful collaboration, Geldmaat extended the partnership for an additional five years for use of ATM SaaS solutions. The service currently covers approximately 4 250 ATMs and cash recyclers in the Dutch market.

Building on 20 years of close collaboration, the Norwegian insurance company Gjensidige Forsikring has extended their contract with Tietoevry Tech Services. The renewed partnership covers modernization and securing Gjensidige's technology roadmap to support the insurance company's growth ambitions.

Tietoevry Care and the wellbeing services county of Central Finland used Generative AI to help classify customer feedback data. The pilot utilized the Microsoft Azure OpenAI service, where the classification was entirely done by generative AI using large language models. Most of the feedback was related to reception, patient care, encountering and treating of the patient, or customer service. Systematic utilization of feedback and integrating it into service development, short response times, and integration into service development are considered to be important development areas.

Ten banks are now pioneering the integration of BankAxept, the national payment system in Norway, into Apple Pay. This allows Norwegian card users to benefit from an easy, secure and private way to pay with an iPhone or Apple Watch. Tietoevry Banking has, on behalf of Norwegian banks, worked closely with BankAxept to bring BankAxept cards into Apple Pay. This collaboration leverages Tietoevry Banking's strong market position as a modernization partner for international payment solutions. For retailers, costs will be considerably reduced.

Bankgirot is extending their strategic collaboration with Tietoevry Tech Services for an additional two years. The collaboration will include managed services, applications and networks. Bankgirot is one of Tietoevry Tech Services' strategic customers and the value of the contract is around EUR 20 million.

Pelvital, a US-based femtech company on a mission to improve the experience of patients with urinary incontinence, chose Tietoevry Create as their partner to create a mobile app and web portal that enable capturing and interpreting data from treatment sessions. The software was built using the IEC 62304 project management framework and Tietoevry ensured that it met the necessary quality criteria to pass the FDA's software validation requirements.

Ahlstrom, a global leader in fibre-based materials, has selected Tietoevry as its strategic partner. This partnership represents a significant expansion of the existing collaboration, as Tietoevry is already responsible for delivering the Manufacturing Execution System (MES) for Ahlstrom's operations. The cloud services create a digital foundation for the MES, also enabling the necessary flexibility for future implementations and other forthcoming services. This renewal supports the aim to enhance production capabilities, increase operational efficiency, and drive digital transformation across manufacturing processes. The extended cooperation highlights Ahlstrom's commitment to leveraging advanced technologies and Tietoevry's expertise in cloud and MES solutions to achieve greater scalability and innovation in its manufacturing ecosystem.

Helsinki University Hospital (HUS) has chosen Tietoevry Care to develop digital healthcare information systems and services. Digital services complement traditional healthcare, offering advice and support to both customers and social workers. Digitally supported treatment paths optimize the work of professionals, enabling safe remote treatment and monitoring. Tietoevry Care has been a strategic partner of HUS since 2018.

Bank Norwegian, a branch of NOBA Bank Group, has signed a five-year extension contract with Tietoevry Banking to support the bank’s strong growth in the Nordics and Europe. This agreement is an enabler for Bank Norwegian's strategic ambition to strengthen and expand its presence in these regions. The agreement includes a comprehensive range of card services, such as authorization, 3D Secure, clearing and settlement, security, mobile payments, and personalization, as well as localized dispute and customer support in six languages. Additionally, Tietoevry Banking will deliver 24/7 fraud prevention support services and monitoring of all transactions for the bank’s card portfolio. The extended partnership provides Bank Norwegian with efficient and secure credit card processing solutions that give their customers access to the latest card services and technologies, while maintaining the highest level of security and support across all the bank's markets.

MentorMate, part of Tietoevry Create, continues its collaboration with Tactile Medical to further develop their core medical device products, worn to treat multiple conditions. Tactile Medical is a leader in the US in developing and marketing at-home therapy devices that treat lymphoedema and chronic venous insufficiency.

The municipalities in Norrbotten, Sweden, extended their agreement with Tietoevry Tech Services for another two years. The agreement demonstrates Tietoevry’s strong customer-centric approach and ability to implement sovereign cloud solutions for customers that are not allowed to use public cloud due to strict data requirements. This follows the agreement, signed in 2021, to establish a private cloud platform for the municipalities. Since then, Tietoevry has provided digital infrastructure within a secure and state-of-the-art solution that meets the municipalities' requirements.

Tietoevry Industry won several agreements for its Public 360° solution. Falu Municipality in Sweden chose Public 360° as its solution for document and case management, signifying Tietoevry Industry’s expansion within the municipal market. The company also entered into an agreement on SaaS migration with Brønnøysundregistrene (Brreg), an important public sector player in Norway. The solution includes digitization, automation, robotics, and artificial intelligence, providing easier and improved information management for both administration and operational activities.

The Eastern and Western Uusimaa wellbeing services counties have selected Tietoevry Care’s Lifecare EHR as their client and patient information system. The system will support primary healthcare, social services and dental care. For the wellbeing services county of Eastern Uusimaa, the agreement also covers the management and optimization of home care services. As the core system for the wellbeing services county, Lifecare streamlines the work of social and healthcare professionals by providing a real-time, comprehensive view of client and patient information. Currently, Lifecare is used by 15 wellbeing services counties, serving over 3 million Finnish citizens.

Changes in Group structure

In June, Tietoevry Create bought the remaining 20% share of the joint venture Tieto Esy Oy, which resulted in an impairment loss of EUR 0.3 million. Tieto Esy has been consolidated as a 100% owned subsidiary since 30 June 2024.

In 2024, Tietoevry and Norsk Tipping, both with 50% ownership in Buypass AS, jointly entered into an agreement with Total Specific Solutions (TSS) on the sale of their shares in Buypass AS. Buypass was co-founded by Tietoevry and Norsk Tipping in 2001 and has been accounted for as a joint venture in Tietoevry's consolidated financial statements, included in Tietoevry Banking. The transaction closed on 16 October. Tietoevry Banking's share of the joint venture's results was EUR 1.0 (1.3) million. Tietoevry Banking's share of the consideration received was EUR 13.1 million and the resulting net gain of EUR 4.3 million was recognized in other operating income.

Branches

The Group has branches in France, Latvia, Norway and Ukraine.

Shareholders' Meeting

Tietoevry Corporation's Annual General Meeting (AGM) held on 13 March approved the financial statements 2023 and discharged the company's officers from liability for the financial year 2023. The meeting also approved the Remuneration Report and the new Remuneration Policy. The AGM decided on a total dividend of EUR 1.47 per share, paid in two instalments.

The meeting re-elected the current members of the Board of Directors Bertil Carlsén, Elisabetta Castiglioni, Tomas Franzén, Liselotte Hägertz Engstam, Harri-Pekka Kaukonen, Katharina Mosheim, Gustav Moss, Endre Rangnes and Petter Söderström. Tomas Franzén was re-elected as the Chairperson of the Board of Directors.

Shareholders' Nomination Board

The composition of the Shareholders' Nomination Board for Tietoevry Corporation was determined based on holdings on 2 September 2024 in the Finnish, Norwegian and Swedish shareholders' registers and received evidence. The shareholders who wished to participate in the work of the Shareholders' Nomination Board nominated the following members:

Annareetta Lumme-Timonen, Investment Director, Solidium
Alexander Kopp, Investment Manager, Incentive
Mikko Lantto, Chief Technology and Development Officer, Ilmarinen
Alexander Svensson, Vice President, Cevian Capital
Tomas Franzén, Chairperson of the Board of Directors, Tietoevry.

The Board of Directors

Board of Directors at 31 December 2024 [1)]

Name	Born	Nationality	Education	Main occupation
Tomas Franzén (Board and RC Chairperson)	1962	Swedish	MSc. (Eng.)	Professional Board member
Harri-Pekka Kaukonen (Deputy Chairperson, ARC Chairperson)	1963	Finnish	DSc. (Tech.)	Professional Board member
Bertil Carlsén	1960	Swedish	MSc. (Business Adm.)	Financial advisor and professional Board member
Elisabetta Castiglioni	1964	Italian	Ph.D. (Tech)	CEO, A1 Digital International GmbH
Liselotte Hägertz Engstam	1960	Swedish	MSc. (Civ. Eng.)	Expert advisor, professional Board member
Katharina Mosheim	1976	Austrian	Ph.D. (Econ.)	CEO, Alpha Pianos AS, professional Board member
Gustav Moss	1988	Swedish	MSc. (Finance & Accounting)	Partner, Cevian Capital AB
Petter Söderström	1976	Finnish	MSc. (Econ.)	Investment Director, Solidium Oy
Anders Palklint (personnel representative)	1967	Swedish	MSc. (Eng.)	Senior Project Manager
Thomas Slettemoen (personnel representative)[2)]	1970	Norwegian	Education BSc. (Comp.)	Business Consultant

[1)] Endre Rangnes served as a Board member until 3 September 2024 and personnel representative Tommy Sander Aldrin until the AGM on 13 March 2024.

[2)] Board member (personnel representative) as of the AGM on 13 March 2024.

The President and CEO and operative management

Members of the Group Executive Management as at 31 December 2024

Kimmo Alkio
President and CEO
Born: 1963
Gender: male
Nationality: Finnish
Education: BBA and Executive MBA
Joined Tietoevry in 2011

Cosimo de Carlo[1)]
Managing Director, Tietoevry Create
Born: 1973
Gender: male
Nationality: Italian, German
Education: Msc. (CS)
Joined Tietoevry in 2024

Kishore Ghadiyaram
Head of Strategy
Born: 1972
Gender: male
Nationality: Indian
Education: BSc. (Tech.)
Joined Tietoevry in 2008

Carsten Henke
Managing Director, Tietoevry Industry
Born: 1968
Nationality: German
Gender: male
Education: Msc. (Math)
Joined Tietoevry in 1995

Tomi Hyryläinen
Chief Financial Officer
Born: 1970
Gender: male
Nationality: Finnish
Education: MSc. (Econ.)
Joined Tietoevry in 2018

Ari Järvelä
Managing Director, Tietoevry Care
Born: 1969
Gender: male
Nationality: Finnish
Education: MSc. (Eng.)
Joined Tietoevry in 2001

Satu Kiiskinen
Managing Director, Tietoevry Tech Services
Born: 1965
Gender: female
Nationality: Finnish
Education: MSc. (Econ.)
Joined Tietoevry in 2013

Endre Rangnes[2)]
Managing Director, Tietoevry Banking
Born: 1959
Gender: male
Nationality: Norwegian
Education: BBA
Joined Tietoevry in 2024

Trond Vinje
Head of HR
Born: 1968
Gender: male
Nationality: Norwegian
Education: MSc. (Pol. Sci.)
Joined Tietoevry in 2015

The remuneration and more detailed background information, such as full CVs of the Group Management, are presented on the company's website.

[1)] Cosimo de Carlo was appointed Managing Director of Tietoevry Create, effective 1 September 2024. Harri Salomaa served as Acting Managing Director from 9 January to 1 September 2024. Prior to that, Christian Pedersen held the position of Managing Director until 9 January 2024.

[2)] Endre Rangnes was appointed Managing Director of Banking, effective 3 September 2024 after serving on the Board of Directors of Tietoevry Oyj for 10 years. Klaus Andersen held the position of Managing Director until 3 September 2024.

Auditors

The ARC prepares a proposal on the appointment of Tietoevry’s auditors, which is then presented to the Board of Directors and finally to the AGM for its decision. The compensation paid to the auditors is decided by the AGM and assessed annually by the ARC.

Auditing 2024

The AGM 2024 elected the firm of authorized public accountants Deloitte Oy as the company’s auditor for the financial year 2024. Deloitte Oy notified the company that Authorized Public Accountant Jukka Vattulainen acts as principal auditor.

In 2024, Tietoevry Group paid the auditors a total of EUR 1.6 (1.6) million in audit fees, and a total of EUR 0.7 (0.6) million for other services.

Major risks

Tietoevry utilizes five risk categories within Risk Management: strategic, operational, financial, people, and compliance risks. In addition, Tietoevry has six risk types: Cybersecurity, Environmental, Social, and Governance (ESG), Health and Safety, Privacy, Quality and Reputational. Risk categories serve the purpose of grouping risks, while risk types are primarily utilized for the classification of risks and as the basis for relevant KPIs.

Strategic risks are related to market volatility, introduction of new technologies, changing digitalization and automation strategies, change management, reskilling ability and speed, ability to respond to competition and new entrants in the market, successful selection, management and implementation of company strategy, dependencies on few big customers in some business areas and ensuring delivery quality in the dynamic business environment.

Operational risks refer e.g. to changing the business model in businesses, securing service and offering delivery capabilities, risk and continuity management, cybersecurity, climate change, customer bidding and requirement analysis, and maintaining a high professional standard in delivery management and quality assurance.

Financial risks mainly consist of credit risks, currency risks, interest rate risks, inflation and funding and liquidity risks.

Compliance risks are connected to the organization failing to recognize or meet the requirements in the areas of legislation or other mandatory regulation (e.g. General Data Protection Regulation (GDPR), Schrems II, anti-corruption, anti-bribery, insider matters, sanctions and trade compliance), internal policies and rules or ethics and integrity.

People risks can be driven by Tietoevry's needs to build a market-leading workforce for high performance in terms of delivering projects and customer services; people risks are also related to quality of life, human rights, and the safety of people.

Cybersecurity risks involve potential threats to Tietoevry’s information systems and data that could lead to unauthorized access, data breaches, and operational disruptions. These risks necessitate robust security measures to protect sensitive information and ensure continuity of services.

ESG risks refer to potential impacts on Tietoevry's financial performance and position in the short, medium, and long term, as well as potential negative impacts on people and the planet. These risks include regulatory changes, environmental sustainability challenges, social compliance issues, and governance shortcomings, requiring proactive measures to mitigate associated impacts and comply with sustainability regulations and standards. Tietoevry incorporates ESG risks into its overall risk management process, considering factors like climate change, resource scarcity, regulatory changes, and social issues such as labour practices and community impact. The company regularly conducts double materiality analyses to identify the most significant sustainability impacts, risks, and opportunities (IROs) for its business and stakeholders. Sustainability risks are integrated into the overall risk framework.

Through its double materiality assessment, Tietoevry has identified material impacts, risks, and opportunities that can affect both people and the planet, as well as the company's financial performance and status. Detailed information about the company's IROs, including management and performance for the financial year 2024, is presented in Tietoevry's Sustainability Statement in accordance with CSRD/ESRS. Tietoevry's integration of sustainability into risk reporting demonstrates a comprehensive understanding of how ESG factors can influence business risks and opportunities, contributing to sustainable growth and long-term resilience.

Health and safety risks involve potential threats to the wellbeing and safety of individuals within Tietoevry's operations. Reductions in employee wellbeing and morale could impact company culture, leading to absenteeism, turnover, loss of key employees, and challenges in attracting new talent. These risks necessitate proactive measures to ensure a safe working environment and adherence to relevant health and safety regulations, safeguarding both employees and the organization.

Privacy risks involve potential threats to personal data due to unauthorized access, breaches, and misuse. These risks require stringent data protection measures and compliance with regulations such as GDPR to safeguard sensitive information and maintain trust.

Project risks encompass potential challenges in executing and delivering projects, which may arise from factors such as resource allocation, timeline management, and meeting customer requirements.

Quality risks involve the potential decline in service and product standards that can arise from inadequate quality assurance processes, process failure, insufficient training, or failure to meet customer expectations.

Reputational risks arise when an organization faces potential damage to its public image or credibility, which can result from negative publicity, ethical breaches, poor customer service, or failure to comply with regulations. Such risks can lead to a loss of trust among stakeholders, clients, and the public, impacting the company's market position and financial performance.

Risks are registered, managed, followed up and aggregated by utilizing the corporate governance, risk, and compliance (GRC) platform, resulting in risk maps and risk KPIs that are reviewed by leadership teams in the businesses and the Audit and Risk Committee (ARC). Tietoevry's major risks and the measures for their mitigation are described below.

Market volatility

Changes in the Nordic core markets have a direct effect on market conditions and result in volatility that might have a negative impact on Nordic market growth. Changes in the economic environment and customer demand can affect both business volumes and price levels, which might result in lower revenue or slower revenue growth than expected.

These potential risks are mitigated through multi-year contracts for continuous services. Tietoevry also aims to maintain long-term business relations and to be a preferred supplier to its customers. The company executes tight cost and investment control with continuous investment performance monitoring, accompanied with a clear structure for decision rights, which are defined in the Decision Making Authority (DMA) Policy.

Global service capabilities, cross-selling and tough price competition are the main drivers in the IT sector for the development of the global delivery model. Tietoevry's position as a leading IT service provider in the Nordics is supported by existing and enhanced competencies, and by the choice of right partners.

Change and transformation

With its strategy, Tietoevry aims to drive customer value and growth through specialization, and the company's value proposition needs to be managed, maintained and adapted to changing markets. The technology industry is being reshaped with cloud as the foundation, providing expansion opportunities for the company. Expansion will focus on cloud-native services, data & software engineering and scalable software businesses. In managed application and infrastructure services, the company will seek partnerships to invest and build scale. Strategic review of the Tietoevry Tech Services business may result in changes requiring careful change management.

In large-scale adaptation to the market by organizational transformation and right-sizing, resistance to change can prolong the transition, which may affect operational efficiency.

Change management is steered by the company-wide or project-specific Program Management Office, which provides standard tools and systems for the change, including communication, target setting and training for the implementation of the new strategy.

Common standards for project management ensure proper project risk management and compliance in project financials management and follow-up.

Sudden changes in the market environment, customer demand and customer strategies or the competitive landscape in these areas might harm Tietoevry's operations and profitability.

To diversify the business, Tietoevry provides services to several different industries and markets. The company develops its business mix to provide new industry software solutions, digital consulting, new hybrid cloud solutions and broader R&D capabilities to strengthen its position amongst both current and new customers. An industrialized and standardized way of providing services and solutions, employing automated processes, improves competitiveness and reduces risk.

Service continuity

Close to 100% availability of the services is the basis of trust among customers, stakeholders and society.

A service continuity disruption can be caused, for instance, by hardware or software failures, power outages, natural disasters, data communication disruption or different types of intentional and unintentional actions by people.

Risks related to malfunctions of systems could seriously affect Tietoevry's ability to provide its services and have an adverse impact on the company's financials and reputation.Thus, business continuity planning is a high priority in Tietoevry's operational management in order to ensure that redundancy and fault tolerance are at the appropriate level.

To reduce the service continuity risk and to better understand the interdependencies in solutions and data centres, Tietoevry constantly reviews, maintains and improves its IT asset management, configuration management and monitoring systems. In addition to a balanced global portfolio, Tietoevry has recovery procedures and backup systems in place to handle potential service interruptions. Root cause analysis, best practices and experiences from previous incidents help in preparing for and mitigating the service continuity risk.

Also, a comprehensive and robust major incident and escalation process and crisis management process reduce service interruptions.

Cybersecurity

Tietoevry's business operations involve processing and storing large amounts of confidential data of public and private sector customers, business partners and own data, including sensitive personal data.

The threat landscape is continuously expanding and changing, with potential sources including for example criminal hackers, hacktivists, human errors or misconduct, and state-sponsored organizations. These threats may lead to malfunctions or cybersecurity breaches affecting Tietoevry, its customers, subcontractors, or other third parties.

At least the following threats are risk factors that could lead to loss, misuse, destruction of data or system malfunction, compromising Tietoevry's ability to support, manage or develop services:

- Enterprise ransomware
- Supply chain attacks
- Critical vulnerabilities
- Targeted attacks
- Digital fraud
- Denial of service attacks
- Data breaches and data leaks
- Insider threats

Such events could negatively affect the company's financial performance and reputation.

To detect and investigate cybersecurity incidents, Tietoevry has implemented a comprehensive and robust major incident and escalation process, a crisis management process as well as efficient cybersecurity defence with high-class detection and response capabilities to reduce service interruptions.

The company routinely reviews its cybersecurity framework along with the security protection, detection, and response mechanisms. The company also trains its employees to enhance their awareness of cyber threats and continuously assesses its cybersecurity maturity.

Quality costs related to customer bidding and delivery management

Failure to accurately understand and analyse customers' evolving needs, their business processes, and precise requirements can result in errors in setting the scope of projects or services, leading to challenges in meeting the specifications of customer agreements.

Tietoevry ensures that business processes from sales to delivery are designed, implemented, and embedded to deliver customer value while mitigating end-to-end risk exposure throughout full contract life cycles. Both internal and external quality assessments and audits verify the effectiveness and efficiency of operations and control the quality of outcomes through measurable and actionable KPIs (Key Performance Indicators) and key controls. Additionally, customer feedback management is integral to maintaining performance and quality assurance at both operational and strategic levels. Tietoevry regularly requests feedback from customers to evaluate individual deliveries and to understand how well the company supports their changing business objectives through its portfolio of deliveries. These insights and actions derived from customer feedback are prioritized and followed up regularly at all organizational levels and integrated into change management efforts.

Retention and attrition of employees

The competition in the market and demand for new services require the ability and speed to reskill, attract new talent, and retain existing competencies and business knowledge for new services, service models, technologies, and offerings. Tietoevry's performance relies on attracting talent, skills renewal, business knowledge, and organizational maturity. Also the increasing utilization of new technologies, including AI, can lead to reallocation of workforce and reskilling needs.

The failure to retain key employees and attract new talent with the necessary skills could adversely affect the company's performance. High employee turnover may also result in delays in customer projects, potentially leading to penalties or customer loss.

To mitigate these risks, Tietoevry employs unified delivery models across its locations and provides its employees with challenging roles, diverse development opportunities, social recognition, training programmes, and engaging career pathways through job rotation. Additionally, Tietoevry offers competitive compensation packages, including a comprehensive company-wide incentive system. The company prioritizes effective recruitment tools, strategies, talent management, and competency development, including reskilling. Tietoevry also places a significant emphasis on employer branding to enhance and sustain its image as an attractive employer both internally and externally. For instance, Tietoevry is committed to diversity, equity, and inclusion (DEI) – the company fosters a culture that celebrates differences and ensures that all employees feel valued and respected.

Credit risks

Changes in the general market environment and global economy can result in additional financial risks. Credit risks might arise if customers or financial counterparties are unable to fulfil their commitments towards Tietoevry.

Tietoevry's Credit Policy defines the principles for customer credit risk management to be applied in all lines of business and controlled by a centralized credit management team. The risk assessment utilizes external risk databases and past experience as a reference. Credit risk regarding financial counterparties is managed through counterparty limits, as set out in the Tietoevry Treasury Policy.

Currency risks

Tietoevry’s currency transaction exposure arises from foreign trade, cash management and internal funding in foreign currencies. Translating the balance sheets and income statements of Group companies into euros creates a translation exposure.

Tietoevry’s Treasury Policy defines the principles for managing currency risks within the Group.

Interest rate risks

Tietoevry's interest rate risk consists mainly of short- and long-term loans, cash positions and derivative contracts. Fluctuations in interest rates can impact Tietoevry's financial result or economic situation.

Tietoevry's Treasury Policy defines the principles for managing interest rate risks within the Group.

Funding and liquidity risks

Exceptional market conditions in the financial market might impose temporary limitations on raising new funding and/or lead to an increase in funding costs.

Group Treasury monitors and manages Tietoevry’s funding structure and liquidity by maintaining a sufficiently diversified loan portfolio and liquidity position. Analyses of alternative financing sources, maturities and pricing for the company are continuously updated. Tietoevry’s financial risks are described in full in the notes to the consolidated financial statements.

Tietoevry's Treasury Policy defines the principles for managing funding and liquidity risks within the Group.

Legal, regulatory and compliance risks

Tietoevry operates in multiple jurisdictions and is required to adhere to a broad spectrum of laws and regulations at both the European and international levels. These include, but are not limited to, data protection and privacy laws, public procurement regulations, anti-corruption and anti-bribery laws, regulations restricting competitive trading conditions, health and safety regulations, environmental regulations, labour regulations, competition regulations, as well as securities markets, corporate, and tax laws. Non-compliance with these regulations or failure to implement new requirements may result in regulatory interventions, penalties, or a slowdown or cessation of the company’s activities.

Tietoevry functions as a data processor for customers and as a data controller for its employees’ personal data. Should Tietoevry or its products or services fail to comply with the privacy laws, this might result in negative reputational impacts, significant fines or other expenses if the product or service in question needs to be redesigned or redeveloped.

The risk is mitigated by organization-wide privacy initiatives. Tietoevry has implemented a privacy governance model that ensures the Group and each business have dedicated resources for ongoing follow-up, reporting, proactive privacy development, and active employee training and communication. This governance model ensures that GDPR requirements are thoroughly integrated into key processes such as product and software development, sales, sourcing and marketing, programme and project delivery, continuous service delivery, and Tietoevry's internal services through clear rules and instructions.

Supply chain risk

Tietoevry's performance in fulfilling its obligations to customers can be compromised if any key supplier or partner fails to meet their commitments. Such failures could result in liabilities and negatively affect the company's profitability. To manage these risks, Tietoevry employs robust partner contract management, engages in contract renewal negotiations, and continuously evaluates partner delivery quality. Furthermore, Tietoevry recognizes the importance of diversifying its business-critical suppliers to mitigate dependency risks. By expanding its supplier base, the company aims to ensure resilience and maintain operational continuity even if one supplier faces challenges.

Global pandemic

Even though Covid-19 is no longer considered to be a pandemic by the World Health Organization (WHO), it (or some other widespread illness) can still create uncertainty in the market and for the company. The spread of mpox has emerged as a new public health concern, highlighting the need for ongoing vigilance and adaptability in addressing such threats. Tietoevry has continued to identify, evaluate, and manage risks that could have significant financial, operating, or reputational impacts on the company on both a short- and long-term basis. Enterprise risk management, crisis management and business continuity have been vital in handling the effect of the pandemic on the company's employees, portfolio and customers. Tietoevry follows country-specific government and healthcare guidelines for personal health and the prevention of the spread of current or possible new pandemic cases.

Geopolitical instability

Geopolitical instability might result in disruption in areas where Tietoevry operates. This instability might impact the company's operations, despite careful scenario planning and mitigation plans to ensure business continuity. Russia's war against Ukraine has impacted the company's business in Ukraine, and its status is monitored with regular business continuity and crisis management meetings in order to help and ensure the safety of employees and secure business continuity. Additional geopolitical elements such as changes in the dynamics of international relations may affect global businesses.

Climate change

Physical climate change impacts may pose a risk for both Tietoevry and its customers. Tietoevry strives to mitigate its contribution to climate change by reducing carbon emissions, advocating for a circular economy, and increasing energy efficiency in its own operations. The company's energy management strategy includes optimizing energy use across all facilities, transitioning to renewable energy sources, and implementing energy-saving technologies. Tietoevry is also committed to minimizing its carbon footprint through various initiatives, such as using energy-efficient equipment, promoting sustainable practices, and engaging in carbon offset programmes.

Furthermore, Tietoevry has back-up centres to ensure the continuity of customer operations in case of severe climate change incidents, such as flooding. The ability to mitigate the impacts and adapt to climate change is becoming an increasingly important factor influencing customers' decision-making. Tietoevry can help its customers reduce their carbon emissions through its technology solutions and facilitate customers' transition to a low-carbon and circular economy. By integrating circular economy principles, Tietoevry aims to minimize waste and promote the reuse, recycling, and repurposing of materials, thereby reducing environmental impacts and fostering sustainable development.

Artificial Intelligence

Artificial Intelligence (AI), including Generative AI and machine learning, can be leveraged for various purposes such as support and development activities. However, the use of AI entails certain risks, including concerns related to privacy, fairness, security vulnerabilities, ethical dilemmas, and job displacement. Furthermore, training AI models requires substantial energy consumption, which can contribute to carbon emissions. Addressing these challenges is crucial to unlocking the potential of AI, enabling opportunities for positive change and innovation while ensuring responsible and ethical development.

AI can streamline operations by automating routine tasks, thereby allowing employees to focus on more strategic and creative endeavours. AI facilitates the exploration of untapped markets and the creation of entirely new revenue streams. For instance, AI-powered platforms can enable the rapid development and deployment of digital services, transforming traditional industries and fostering entrepreneurial ecosystems.

The transformation of business through AI is not without challenges. It necessitates a robust strategy that encompasses talent acquisition, upskilling, and the integration of AI into core business processes. Ethical considerations must be addressed, ensuring that AI applications are transparent, accountable, and aligned with societal values. Additionally, there are risks of biased decision-making due to data quality issues, potential misuse of AI technologies, and loss of human oversight in critical decision-making processes. These risks underscore the importance of continuous monitoring and regulatory compliance to safeguard against unintended consequences.

Shares and shareholders

The company's shares are listed on NASDAQ in Helsinki and Stockholm and Oslo Børs. The company has one class of shares, with each share conferring equal dividend rights and one vote. Tietoevry's issued and registered share capital amounts to EUR 76 555 412.00. Tietoevry's shares have no par value and their book counter value is one euro.

On 31 December, the number of shares totalled 118 640 150, including new shares related to a directed share issue. On 24 April 2024, the Board of Directors of Tietoevry Corporation resolved on a directed share issue without payment in order to pay the rewards of the Performance Share Plan 2021–2023 and Restricted Share Plan 2021–2023 for key employees of the Group. In the share issue, a total of 214 379 new shares were issued free of payment to the eligible reward recipients. The new shares were registered with the Trade Register on 14 May 2024.

The company had 70 497 registered shareholders at the end of 2024 based on the ownership records of the Finnish, Swedish and Norwegian central securities depositories. Tietoevry received one flagging announcement during the year. On 23 November, Silchester International Investors LLP announced that its holding had increased to 17 845 007 shares, representing 15.04% of the total number of shares.

On 13 March 2024, the Annual General Meeting of Tietoevry Corporation decided on the forfeiture of shares entered in the joint account of the company as well as of the rights attached to such shares. The forfeiture concerned shares whose transfer into the book-entry system had not been validly requested by 13 March 2024. The number of shares in the company's joint account amounted to 10 560. The shares on the joint account were transferred to Tietoevry's ownership on 23 July 2024. Following the transfer, the company holds a total of 45 239, representing 0.04% of the total number of shares and voting rights. The number of outstanding shares, excluding the treasury shares, was 118 594 911.

The members of the Board of Directors, the President and CEO and their close associates together held 0.14% of the shares and votes registered in the book-entry system on 31 December 2024. The President and CEO is also participating in the company's long-term share-based incentive plans and potential rewards will be paid partly in Tietoevry shares. As the number of additional shares related to these incentives is dependent on the company's performance, these are not included in this aggregate number.

The company's Articles of Association include a restriction on voting at the Annual General Meeting, where no-one is allowed to vote with more than one-fifth of the votes represented at the meeting. The Articles of Association are available at www.tietoevry.com/investors.

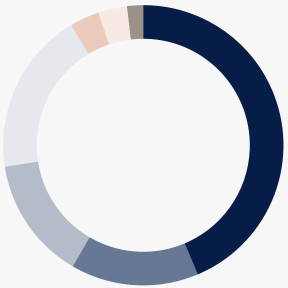
Share-based incentive plans

Tietoevry has the following active share-based incentive plans: a Performance Share Plan 2022, 2023 and 2024 and a Restricted Share Plan 2022, 2023 and 2024. The potential rewards will be paid partly in the company's shares and partly in cash in 2025, 2026 and 2027, respectively. The share rewards to be delivered to the participants will consist of shares to be acquired from the market and treasury shares. Thus, no new shares will be issued in connection with the plans. The rewards to be paid on the basis of the plans correspond to the value of an approximate maximum total of 3 600 000 Tietoevry shares (including the proportion to be paid in cash). On 31 December, the value of granted and unvested share plans corresponded to 2 755 649 shares. The company has not issued any bonds with warrants and does not have any stock option programmes.

Board authorizations

The 2024 Annual General Meeting authorized the Board of Directors to decide on the repurchase of the company's own shares. The amount of own shares to be repurchased shall not exceed 11 800 000 shares, which currently corresponds to approximately 10% of all the shares in the company. The Board of Directors was also authorized to decide on the issuance of shares as well as on the issuance of option rights and other special rights. The amount of shares to be issued based on the authorization (including shares to be issued based on the special rights) shall not exceed 11 800 000 shares, which currently corresponds to approximately 10% of all the shares in the company.

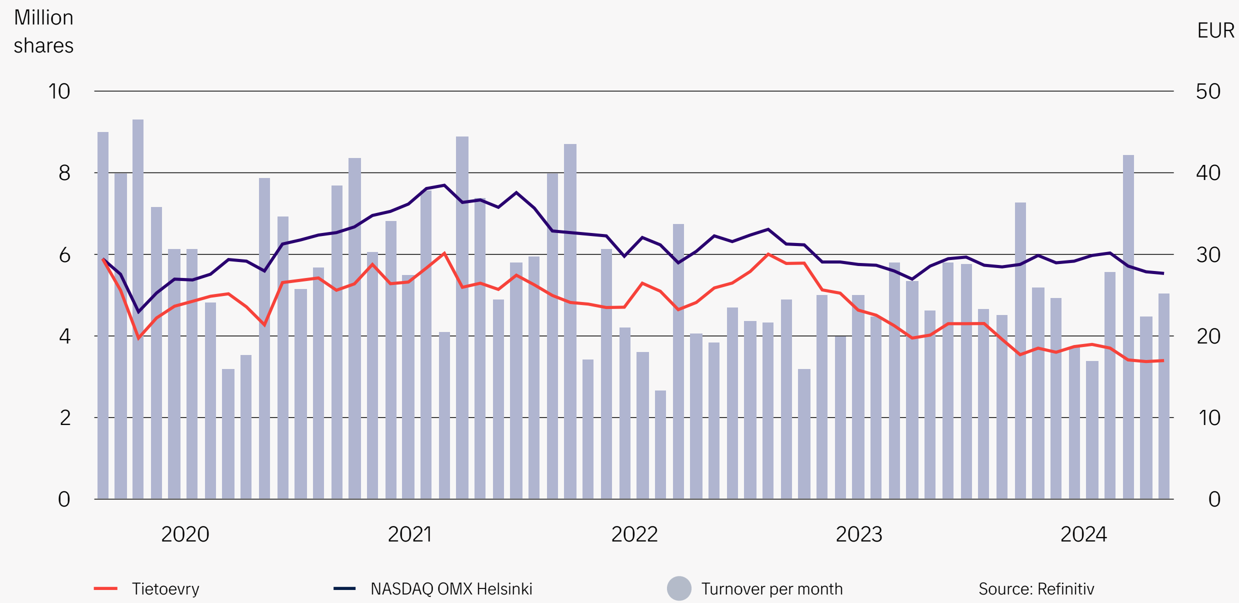
OWNERSHIP STRUCTURE ON 31 DEC 2024



- Nominee registered 51.2%
- Households 17.3%
- Public sector organizations 16.6%
- Financial and insurance institutions 4.8%
- Non-profit institutions serving households 4.0%
- Private companies 3.9%
- Foreigners 2.2%

Based on the ownership records of Euroclear Finland Oy

SHARE PRICE DEVELOPMENT AND TURNOVER, HELSINKI



	2024	2023	2022	2021	2020
Number of shares					
Number of shares	118 640 150	118 425 771	118 425 771	118 425 771	118 425 771
Outstanding shares					
At year-end	118 594 911	118 391 092	118 413 303	118 418 184	118 414 793
Average	118 522 308	118 375 769	118 405 657	118 408 223	118 378 269
Share capital at year-end, EUR	76 555 412	76 555 412	76 555 412	76 555 412	76 555 412
Per share data					
Earnings per share, EUR					
Basic	-0.53	1.45	1.59	2.46	0.80
Diluted	-0.53	1.45	1.59	2.46	0.80
Equity per share, EUR	10.95	13.62	14.52	15.38	13.73
Share price performance and trading volumes					
NASDAQ Helsinki					
Highest price of share, EUR	22.34	30.58	27.94	30.46	31.32
Lowest price of share, EUR	16.37	19.16	21.06	25.42	17.26
Average price of share, EUR	18.78	24.77	24.86	27.26	24.42
Turnover, number of shares	62 977 285	56 862 211	62 036 948	78 772 407	77 150 210
Turnover, %	53.0	48.0	52.4	66.5	65.1

	2024	2023	2022	2021	2020
Market capitalization, EUR million	2 019.3	2 550.9	3 140.7	3 254.3	3 180.9
Dividends [1]					
Dividend, EUR 1 000	177 892	174 035	171 699	165 785	156 308
Dividend per share, EUR	1.50	1.47	1.45	1.40	1.32
Payout ratio, %	-283.3	101.1	91.0	56.8	165.3
Price-weighted ratios					
NASDAQ Helsinki					
Price per earnings ratio (P/E)	-32	15	17	11	34
Dividend yield, %	8.8	6.8	5.5	5.1	4.9

[1] For 2024, distribution of dividend and/or return of capital .

Major shareholders on 31 December 2024

	Shares	%
1 Silchester International Investors LLP [1)]	17 845 007	15.0
2 Solidium Oy	12 857 918	10.8
3 Incentive Investment Funds ICAV [2)]	6 041 221	5.1
4 Ilmarinen Mutual Pension Insurance Company	2 790 879	2.4
5 Cevian Capital Partners Limited	2 372 834	2.0
6 Elo Mutual Pension Insurance Company	1 676 000	1.4
7 The State Pension fund	1 400 000	1.2
8 Nordea Life Assurance Finland Ltd.	1 093 536	0.9
9 Society of Swedish Literature in Finland	590 800	0.5
10 OP-Henkivakuutus Ltd.	581 434	0.5
Top 10 shareholders total	**47 249 629**	**39.8**
- of which nominee registered	23 886 228	20.1
Nominee registered other	36 928 010	31.1
Others	34 462 511	29.0
Total	**118 640 150**	**100.0**

The list of shareholders above is based on the ownership records of Euroclear Finland Oy, Euroclear Sweden AB and Norwegian Central Securities Depository (VPS) and also includes shareholders with a nominee registered holding exceeding the 5% threshold in accordance with Chapter 9, Section 5 of the Finnish Securities Markets Act. Their holding information is based on the latest notification.

[1)] On 23 November 2024, Silchester International Investors LLP announced that its holding has increased to 17 845 007 shares, representing 15.04% of the total number of shares.
[2)] On 21 September 2021, Incentive AS announced that the holding of Incentive Investment Funds ICAV was 6 041 221 shares, representing 5.1% of the shares.

Number of shares

	Shareholders		Shares	
	No	%	No	%
1–100	28 515	49.5 %	1 272 213	1.1 %
101–1 000	24 839	42.7 %	8 641 770	7.3 %
1 001–10 000	4 475	7.7 %	11 152 015	9.4 %
10 001–100 000	240	0.4 %	6 306 797	5.3 %
100 001–1 000 000	38	0.1 %	8 815 338	7.4 %
1 000 001–	10	— %	82 452 017	69.5 %

Based on the ownership records of Euroclear Finland Oy.

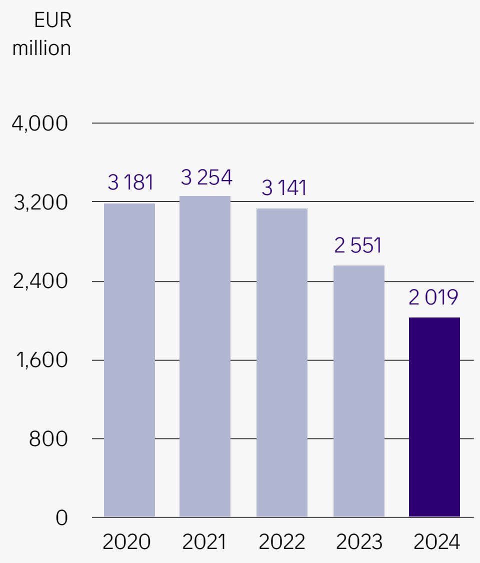
Shareholder distribution

The distributable funds of the parent company amount to EUR 1 299.7 million, of which net profit for 2024 amounts to EUR 56.2 million. The Board of Directors proposes to the Annual General Meeting that, based on the balance sheet to be adopted for the financial year which ended 31 December 2024, a total amount of EUR 1.50 per share would be distributed from the distributable funds of the company either as dividend from retained earnings or as distribution of funds from the reserve for invested unrestricted equity or as a combination of these. The Board of Directors would, when implementing the distribution, be authorized to decide whether and to what extent the distribution is made as dividend from retained earnings and whether and to what extent the distribution is made from the reserve for invested unrestricted equity, and the company will publish such decisions of the Board separately. The distribution of funds would be implemented in two instalments as follows:

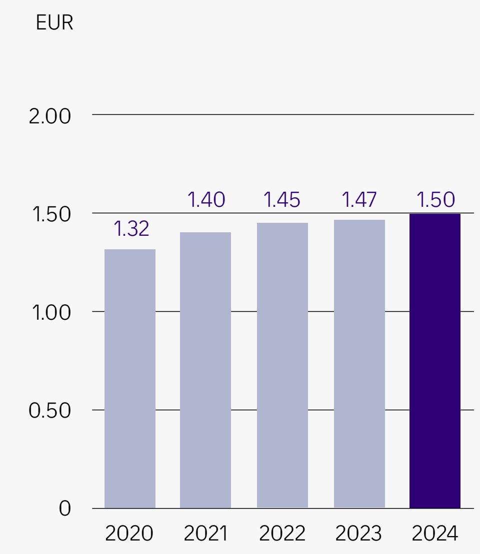
- The first instalment of EUR 0.75 per share in aggregate shall be paid to shareholders who on the record date for the first instalment on 27 March 2025 are registered in the shareholders' register maintained by Euroclear Finland Oy or the registers maintained by Euroclear Sweden AB or Verdipapirsentralen ASA (VPS).
- The second instalment of EUR 0.75 per share in aggregate shall be paid to shareholders who on the record date for the second instalment on 23 September 2025 are registered in the shareholders' register maintained by Euroclear Finland Oy or the registers maintained by Euroclear Sweden AB or Verdipapirsentralen ASA (VPS).

The proposed shareholder distribution does not endanger the solvency of the company.

MARKET CAPITALIZATION



DIVIDEND / SHARE, EUR



Full-year outlook for 2025

Tietoevry expects its organic[1)] growth to be in the range of -3% to +1% (revenue in 2024: EUR 2 802.6 million).

The company estimates its full-year adjusted operating margin[2)] (adjusted EBITA[3)]) to be 12.0–13.0% (12.3% in 2024).

[1)] Adjusted for currency effects, acquisitions and divestments
[2)] Adjustment items include restructuring costs, capital gains/losses, impairment charges and other items affecting comparability
[3)] Profit before interests, taxes, amortization of acquisition-related intangible assets and goodwill impairment.

Financial calendar 2025

25 March	Annual General Meeting

Tietoevry will publish three interim reports in 2025:

29 April	Interim report 1/2025 (9:00 a.m. EET)
22 July	Half-year report 2025 (9:00 a.m. EET)
23 October	Interim report 3/2025 (9:00 a.m. EET)

Key figures

Calculation of key figures and alternative performance measures

Tietoevry presents certain financial measures, which, in accordance with the “Alternative Performance Measures” guidance issued by the European Securities and Markets Authority, are not accounting measures defined or specified in IFRS accounting standards and are, therefore, considered alternative performance measures. Tietoevry believes that alternative performance measures provide meaningful supplemental information to the financial measures presented in the consolidated financial statements prepared in accordance with IFRS accounting standards and increase the understanding of the profitability of Tietoevry’s operations. In addition, they are seen as useful indicators of the Group's financial position and ability to obtain funding. Alternative performance measures are not accounting measures defined or specified in IFRS accounting standards and, therefore, they are considered non-IFRS accounting standards measures, which should not be viewed in isolation or as a substitute to the IFRS accounting standards financial measures.

$$\text{Adjusted earnings per share} = \frac{\text{Net profit for the period excluding adjustment items, amortization of acquisition-related intangible assets and related tax impact per country, and goodwill impairment}}{\text{Weighted average number of shares}}$$

Adjustment items = Restructuring costs + capital gains/losses + impairment charges + other items affecting comparability

Operating profit (EBIT) = Net profit + interests + taxes

$$\text{Operating margin (EBIT), \%} = \frac{\text{Operating profit (EBIT)}}{\text{Revenue}}$$

Adjusted operating profit (EBITA) = Operating profit (EBITA) + adjustment items

$$\text{Adjusted operating margin (EBITA), \%} = \frac{\text{Adjusted operating profit (EBITA)}}{\text{Revenue}}$$

$$\text{Equity per share} = \frac{\text{Total equity}}{\text{Number of shares at the year-end}}$$

Capital expenditure = Acquisitions of intangible assets and property, plant and equipment

Acquisitions = Acquisitions of subsidiaries and business operations, net of cash acquired

$$\text{Return on equity, 12-month rolling, \%} = \frac{\text{Profit before taxes and non-controlling interests – income taxes}}{\text{Total equity (12-month average)}} * 100$$

$$\text{Return on capital employed, 12-month rolling, \%} = \frac{\text{Profit before taxes + interest and other financial expenses}}{\text{Total assets – non-interest-bearing liabilities (12-month average)}} * 100$$

$$\text{Equity ratio, \%} = \frac{\text{Total equity}}{\text{Total assets – advance payments}} * 100$$

Interest-bearing net debt = Interest-bearing liabilities – interest-bearing receivables – cash and cash equivalents

EBITDA = Operating profit (EBIT) + Depreciation + Amortization + Impairment

$$\text{Net debt/EBITDA} = \frac{\text{Interest-bearing net debt}}{\text{EBITDA (12-month average)}}$$

$$\text{Gearing, \%} = \frac{\text{Interest-bearing net debt}}{\text{Total equity}} * 100$$

Adjusted operating profit (EBITA) by segment

EUR million	2024	2023	Change %
Tietoevry Create	100.1	114.6	-13
Tietoevry Banking	72.0	68.9	5
Tietoevry Care	68.2	70.2	-3
Tietoevry Industry	39.4	43.4	-9
Tietoevry Tech Services	88.7	85.7	4
Non-allocated costs	-23.7	-24.0	-1
Adjusted operating profit (EBITA)	**344.7**	**358.7**	**-4**

Adjusted operating margin (EBITA) by segment

%	2024	2023	Change pp
Tietoevry Create	12.0	13.4	-1
Tietoevry Banking	12.4	12.1	0
Tietoevry Care	29.5	30.1	-1
Tietoevry Industry	15.0	16.5	-2
Tietoevry Tech Services	8.9	8.0	1
Adjusted operating margin (EBITA)	**12.3**	**12.6**	**-0**

Reconciliation of adjusted operating profit (EBITA)

EUR million	2024	2023
Operating profit (EBIT)	29.8	255.6
+ Amortization of intangible assets recognized at fair value from acquisitions	43.8	41.8
+ Goodwill impairment loss[1)]	200.0	—
Adjustment items:		
- Capital gains[2)]	-4.4	-6.9
+ Strategic reviews	13.3	32.3
+/- Other M&A related items	0.5	1.5
+ Restructuring costs	32.5	11.1
+ Tietoevry Tech Services performance improvement programme	17.1	15.1
+ War in Ukraine and exit from Russia	2.4	3.2
+ Ransomware attack[3)]	1.5	—
+/- Other items[4)]	8.2	4.9
Adjusted operating profit (EBITA)	**344.7**	**358.7**

[1)] For more information, see note 14.

[2)] Capital gains include a gain on the sale of Tietoevry's share in Buypass AS in 2024 and gain on the sale of property, plant and equipment in 2023. See also notes 7 and 29.

[3)] For more information, see note 6.

[4)] Include defined benefit pension costs related to certain amendments, impairment losses (except goodwill impairment) and other minor non-recurring items. See also notes 5 and 13.

Sustainability Statement

87% Reduction in GHG emissions in own operations (scope 1 & 2) since 2020

34% New female hires

97% Employees trained in Responsible AI

General disclosures

Basis for preparation

Basic information

Tietoevry's business encompasses software, data and digital engineering, as well as managed services and transformation. The company also offers related capabilities to support customers' business renewal, innovation and efficient operations. To capture the momentum of the cloud-native software market, Tietoevry's five specialized end-to-end businesses have full operational responsibility, including for the go-to-market and service portfolio, as well as for investments and partnerships to drive scale and expansion. These specialized businesses are Tietoevry Create, Tietoevry Banking, Tietoevry Care, Tietoevry Industry and Tietoevry Tech Services, and they are supported by group functions organized in Corporate Business Services.

General basis for preparation of Sustainability Statement (BP-1)

Tietoevry's Sustainability Statement has been prepared on a consolidated basis with the same scope as the company's Financial Statements. The reporting covers the entire Group (unless otherwise stated in the disclosed information), including all the companies in which the Group directly or indirectly holds more than 50% of the votes. The Sustainability Statement covers the company's upstream and downstream value chain in relation to material impacts, risks and opportunities identified through the double materiality assessment. The reporting period is from 1 January to 31 December 2024. Comparative period data in the Sustainability Statement has not been externally assured.

Tietoevry's Sustainability Statement does not address Chapter 7, Section 22(1), paragraph 2 of the Accounting Act regarding the marking of the Group's Sustainability Statement with XBRL digital sustainability tags. This is due to the inability of companies to comply with this provision in the absence of the ESEF Regulation or other relevant European Union legislation.

Tietoevry has not used the option to omit a specific piece of information corresponding to intellectual property, know-how or the results of innovation in its 2024 Sustainability Statement.

Disclosures in relation to specific circumstances (BP-2)

Time horizons

Tietoevry's double materiality assessment was informed by the requirements of the European Sustainability Reporting Standard (ESRS), particularly ESRS 1, which outlines the time horizons and key considerations for materiality assessments. For the financial year 2024, Tietoevry has applied the time horizon 0-5 years for all assessed topics. No material impacts, risks nor opportunities (IROs) with a longer time horizon were identified during the assessment. This decision reflects the company's existing practices, as longer time horizons have not been commonly used in financial or operational planning. However, in the assessment of climate-related risks and opportunities, the company also considered the time horizons outlined in its Task Force on Climate-related Financial Disclosures (TCFD) analysis: short-term (0–2 years), medium-term (2–7 years), and long-term (7–30 years).

When revisiting the double materiality assessment during the 2025 financial year, Tietoevry will ensure further alignment with ESRS requirements related to time horizons and will expand to a more forward-looking approach. This will ensure a perspective that addresses both immediate and long-term impacts, risks and opportunities.

Value chain estimations

Tietoevry's scope 3 GHG emission data is primarily derived from estimations. For the largest scope 3 categories – Purchased Goods and Services and Capital Goods – emissions are calculated using spend-based methodology. This approach relies on financial data and generalized emission factors for spending categories rather than precise emission data. Detailed descriptions of the GHG emission calculation methodologies and use of estimations for all categories can be found in E1-4.

Sources of estimation and outcome uncertainty

The spend-based methodology used in scope 3 GHG emission calculations includes uncertainties that arise from the use of average emission factors and applying them to Tietoevry's spend data,

The metric 'number of cases where Tietoevry has received fines from data protection authorities related to GDPR non-compliance per year', which is used to measure performance against the target of Zero GDPR-related fines imposed by data protection authorities, is subject to outcome uncertainty due to the measurement techniques used. Performance is tracked using the CMS.Law GDPR Enforcement Tracker, which provides an overview of fines and penalties imposed by EU data protection authorities under the General Data Protection Regulation (GDPR). As a result, the scope of the target is limited to cases recorded in this register.

Tietoevry measures performance against its work-life balance target – keeping overtime below 3% of average normal working hours –using the metric 'average percentage of overtime hours for all employees per year'. However, the reliability of this metric is influenced by data availability challenges arising from variations in employment contract types and local legislative differences.

Changes in preparation or presentation of sustainability information

Implementing the EU Corporate Sustainability Reporting Directive (CSRD) and reporting according to the requirements of the ESRS have impacted metrics and targets specifically in relation to the qualitative characteristics in ESRS 1. Redefinitions of metrics and targets are outlined in each of the topical standards in the company's Sustainability Statement. Comparative figures have not been disclosed, since that has not been applicable to any disclosures.

Reporting errors in prior periods

In the EU Taxonomy report, the comparative eligible revenue has been restated from 20% to 19%, equivalent to a change from EUR 575.6 million to EUR 535.6 million. A reassessment of one of the related offerings revealed that it does not fully meet the description of the economic activity 5.5 'Product-as-a-service and other circular use- and result-oriented service models' under the environmental objective 'Transition to circular economy'.

Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements

Tietoevry's Sustainability Statement 2024 does not include disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements. However, information on how Tietoevry complies with The Norwegian Transparency Act (Norwegian: "Åpenhetsloven") is included in the section 'Additional information to the Annual Report'. Additionally, a GRI content index with cross references to relevant disclosures in the Sustainability Statement is also provided in the 'Additional information' section.

Incorporation by reference

No information in the Sustainability Statement has been incorporated by reference, except for the following disclosures: BP-2 11 (a), (b) and (c) and BP 2-13 (a), (b) and (c) for which information is provided in more detail in E1-4.

Governance

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

Board of Directors

In addition to other obligations, the Board of Directors (the Board) is also responsible for guiding the company's sustainability strategy, overseeing sustainability target setting and approving the company's Sustainability Statement. It is also responsible for assessing the effectiveness of Tietoevry's sustainability due diligence, evaluating associated impacts, risks and opportunities, as well as reviewing the implementation and effectiveness of actions. Furthermore, the Board is responsible for the business conduct of the company, including ethical conduct.

Board members are expected to have the necessary expertise and qualifications to fulfil their roles effectively. The Board also leverages sustainability skills and expertise from Tietoevry's Group Sustainability function, which has a deep understanding of the company's material impacts, risks and opportunities. Group Sustainability also regularly provides training to the Board on sustainability issues. Jointly, the Board as an entity possesses expertise related to business conduct and also leverages skills from Tietoevry's Group Legal and Compliance, as well as Corporate Risk Management and Internal Audit.

During 2024, the Board addressed all of Tietoevry's material impacts, risks and opportunities through review of the company's double materiality assessment. The Board further addressed specific impacts, risks and opportunities related to cybersecurity, circularity, gender equality and equal pay for work of equal value, diversity, climate mitigation and adaptation, energy, corporate culture, corruption and bribery prevention, incidents, and privacy in relation to due diligence activities and the outcome of these activities during the year.

Tietoevry's Board comprises two executive members and eight non-executive members. Of the Board members, 30% were female and 70% male during 2024, with a gender diversity ratio of 40% (average ratio of female to male). The percentage of independent Board members was 80% at the end of 2024. Tietoevry personnel elected two members and two deputy members of the Board, all of whom are male.

Board Committees

The Board is assisted by two permanent committees that prepare matters for which the Board is responsible. The Board defines the charters of the committees and decides on their composition. The Board also establishes temporary subgroups whenever these are needed for a specific topic. The entire Board remains responsible for the duties assigned to the permanent committees or temporary subgroups.

The Board's Audit and Risk Committee (ARC) members bring specialized knowledge and experience relevant to the committee's responsibilities and the company's operating environment. Since the committee also oversees statutory audits, at least one ARC member must have expertise in accounting or auditing.

The ARC ensures compliance with legislation and regulation, oversees the sustainability reporting process, as well as monitors ethical and legal business practices in alignment with Tietoevry's policies and rules. This involves receiving regular reports on ethical conduct matters from the General Counsel, the Whistleblowing Unit, and Internal Audit. The ARC reviews the Report of the Board of Directors – including the Sustainability Statement and the Corporate Governance Statement – and monitors sustainability reporting-related risks and controls.

The Board's Remuneration Committee (RC) prepares a compensation proposal concerning the CEO and his immediate subordinates, and the principles of personnel compensation, including applicable ESG targets. The RC monitors the targets and the implementation of the compensation schemes, performance assessment and compensation determination and ensures that the targets set for earning the bonuses defined in the compensation scheme are met. The RC also prepares the Remuneration Report.

Shareholders' Nomination Board (SNB)

The SNB is a body of shareholders responsible for preparing the proposals to the Annual General Meeting (AGM) for the election and remuneration of the members of the Board (including remuneration of employee representatives). The SNB ensures the Board's diversity and professional competence, including its expertise in sustainability. The SNB also makes sure the Board members bring diverse occupational and professional backgrounds.

Chief Executive Officer and Group Executive Management

Tietoevry's CEO is appointed by the Board and is responsible for the Group's operative management, internal efficiency and quality in accordance with applicable legislation and regulation, and following the guidance of the Board, including the implementation of sustainability measures. Moreover, the CEO shall report to the Board and shall supply the Board with the information necessary for the performance of the duties of its members. The Board ensures that the CEO has the necessary expertise to fulfil all its responsibilities, including these, in compliance with legal and internal standards.

The CEO is assisted by Group Executive Management (GEM), which includes the heads of Tietoevry's businesses as well as the Head of Human Resources, the Head of Strategy and the Chief Financial Officer (CFO). The GEM reviews and approves sustainability-related matters for Group Sustainability to present to the Board. The GEM also oversees the implementation of the approved sustainability measures and related impacts, risks and opportunities.

Group Sustainability and the Sustainability Steering Group

Tietoevry's strategic and operational sustainability work is driven by Group Sustainability, led by the Chief Sustainability Officer (CSO), who reports to the CFO. The CSO ensures that sustainability policies and processes are aligned with legislation and with long-term sustainability plans and related targets.

Tietoevry's Sustainability Steering Group (SSG), chaired by the CSO, oversees the work carried out by Group Sustainability. The SSG, which meets every two months, includes representatives from Tietoevry's businesses and functions, as well as members of the GEM. The SSG approves the company's long-term sustainability plans and related targets before the GEM conducts final reviews and approvals. Major strategic initiatives require final approval from the CEO.

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

Group Sustainability informs the Board on Tietoevry's due diligence framework and the results and effectiveness thereof, including performance against targets related to the company's material impacts, risks and opportunities. Group Sustainability also continuously provides the ARC with reports on risks and controls related to sustainability reporting. Reports on whistleblowing incidents are delivered to the ARC twice a year, while any topics that are urgent or of critical concern can be reported on an ad hoc basis.

During 2024, Group Sustainability provided the Board with updates on two occasions. The Board was provided with the result of the company's double materiality assessment i.e. Tietoevry's material IROs, as well as on sustainability due diligence activities, including the status in relation to the CSRD/ESRS implementation. Furthermore, the Board was provided with a review of the effectiveness of Tietoevry's sustainability due diligence activities.

During the year, the ARC was provided with updates from Group Sustainability on four occasions, covering:

- Review of reporting according to the Non-Financial Reporting Directive and EU Taxonomy
- Review of interim assurance of double materiality assessment
- Internal quality control and risk management system regarding the sustainability reporting process
- Review of the Sustainability Statement draft prepared according to the CSRD, including the EU Taxonomy report

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

Tietoevry's remuneration structure for the CEO and GEM is designed to support the company's strategic goal of driving growth and sustainable value creation for shareholders. The short-term incentive (STI) plan is focused on driving financial and strategic performance year over year, whereas the long-term incentive (LTI) plan aims to drive and reward value creation over a three-year period.

For both incentive plans, a set of measures and targets are defined to reflect the market context, strategic objectives, business priorities and related financial results.

The main objectives of the LTI plan at Tietoevry are to align employees' interests with those of shareholders, retain management and key employees, and offer a competitive total reward package. Tietoevry introduced Environmental, Social and Governance (ESG) measures in the LTI plan in 2022, with the first payout scheduled for 2025, and has continued this practice since then by increasing the weighting of aggregated measures from 10% to 20% in 2023. The ESG focus in the LTI plan has remained consistent. A 10% weight is assigned to the SBT-approved GHG reduction target, aiming for a 90% reduction from 2020 base line by 2026 and 10% weight is allocated to the gender diversity target aiming to increase share of female recruits.

The Board approves the implementation of the incentive plans each year, including approval for measures, targets as well as terms and conditions. At the end of each year, the Board reviews the performance against the plans and approves the payout based on the performance versus plan and versus the overall performance of Tietoevry. The plans described above do not apply to members of the Board.

Statement on due diligence (GOV-4)

Tietoevry conducts ongoing sustainability due diligence to assess impacts, risks and opportunities, aiming to mitigate harm and drive business opportunities. The company tracks progress continuously and addresses any significant negative impacts directly or collaboratively. Tietoevry prioritizes engagement with affected stakeholders, including vulnerable groups, as a vital part of evaluating its due diligence efforts.

Tietoevry's sustainability due diligence framework ensures that the company manages all its material IROs. A mapping that explains how and where the main aspects and steps of the due diligence are reflected in the Sustainability Statement can be found below.

Core elements of due diligence	Paragraphs in the Sustainability Statement
a) Embedding due diligence in governance, strategy and business model	GOV-1, GOV-2, GOV-3, SBM-3
b) Engaging with affected stakeholders in all key steps of the due diligence	GOV-2, SBM-2, IRO-1, MDR-P, MDR-T
c) Identifying and assessing adverse impacts	IRO-1, SBM-3, MDR-A
d) Taking actions to address those adverse impacts	MDR-A
e) Tracking the effectiveness of these efforts and communication	MDR-T

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

Tietoevry's sustainability reporting complies with the company's group-level principles and processes for external reporting, risk management and internal control. Sustainability reporting is centrally managed by Group Sustainability within Corporate Business Services (CBS), in close collaboration with the financial reporting team and other relevant support functions, as well as the businesses.

In sustainability reporting, internal control is based on risk identification, analysis and a focus on the most material risks identified. This approach is consistent with Tietoevry's internal controls framework.

The main risks in Tietoevry's sustainability reporting process are data completeness and accuracy. To mitigate these risks, a robust governance model has been established that clearly defines roles and responsibilities, ensuring accountability in data collection and reporting. Tietoevry has included the capabilities required to produce the disclosed information in the Group's common business processes, which all the businesses and support functions within CBS follow in their operations.

The owners of business processes at Tietoevry ensure that the company's processes transparently generate the necessary information for disclosure. Responsibility for the accuracy of this information, adherence to reporting schedules, and the provision of materials to the reporting team is assigned to specific roles within the businesses and CBS, as outlined in the company's governance model. The existing controls have been adapted and new controls have been added as applicable in 2024, to ensure that internal controls are operating effectively in time for the first-year application of reporting according to CSRD/ESRS.

The findings of the risk assessment and internal controls are integrated into the sustainability reporting process through regular reviews and updates of the internal controls. Group Sustainability regularly informs the SSG about sustainability reporting risks and controls, and reports to the ARC to ensure accountability and oversight.

Strategy

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

Specialization forms the cornerstone of Tietoevry's strategy. This specialization strategy enables the company's distinct software and technology services to be among the best in the market. The software businesses aim to optimize and digitalize customers' core processes. Each specialized business enables processes for the customer that are often critical for societal functioning and advancement. The specialized software businesses of Tietoevry are:

- Tietoevry Care: At the core of healthcare and welfare services, enabling customers to deliver optimized, intelligent and personalized services to citizens. Solutions enable customers to optimize the usage of care resources and secure access to citizen data through open standards and interoperable practices
- Tietoevry Banking: Software and services that enable speed and efficiency for core financial services industry processes like Core Banking, Cards, Credit and Wealth management. In addition to enabling critical services for societal functioning through software-based platforms, the solutions further enable financial crime prevention – a critical aspect of sustainable societies
- Tietoevry Industry: Software and data services that enable efficient citizen services, digital value chains and production – all contributing to a well-functioning industry and society

Tietoevry's specialized services businesses support customers in driving competitiveness, efficiency and innovation:

- Tietoevry Create: Advancing digital products and services for customers to deliver superior experiences and efficient operations
- Tietoevry Tech Services: Digitalizing customers' operations with technology to enable their strategy and business agenda. This business also provides the secure technology backbone with its infrastructure and data platforms – a key aspect of societal functioning

The main purpose across all the businesses at Tietoevry is to realize technology-led solutions that improve competitiveness, efficiency and innovation for customers across industries.

The company's customers are in sectors such as financial services, retail, telecom, healthcare, welfare, pulp and paper, education, energy, utilities and the public sector. Tietoevry serves enterprises and public sector clients in around 90 countries, with over 80% of the company's revenue coming from Finland, Sweden and Norway.

Tietoevry's strategy does not include products or services that would be banned in certain markets. Additionally, the company is not active, as defined by ESRS 2, in sectors associated with fossil fuels, such as coal, oil, gas, chemicals production, controversial weapons, or tobacco cultivation or production.

A breakdown of revenue per segment, as included in the company's Financial Statements, as well as headcount of employees by geographical areas can be found below. No additional significant ESRS sectors beyond the ones reflected in the segment revenue table are applicable for Tietoevry.

Disaggregation of revenue by segment

EUR million	2024	2023	Change %
Tietoevry Create	836.9	852.3	-2
Tietoevry Banking	580.4	567.2	2
Tietoevry Care	231.3	232.8	-1
Tietoevry Industry	263.7	262.6	0
Tietoevry Tech Services	1 000.7	1 072.7	-7
Eliminations	-110.4	-136.1	-19
Group total	**2 802.6**	**2 851.4**	**-2**

In 2024, comparative information for segment revenue was recast to reflect minor changes between segments arising due to structural changes. Group numbers remained unchanged.

Headcount of employees per geographical area

Geographical area	2024	2023
The Nordic countries	10 710	11 255
Europe other	7 930	8 332
Asia	5 218	5 433
North and South America	234	278
Total	**24 092**	**25 298**

Value chain

Tietoevry's value chain includes all activities involved in delivering IT services, industry-specific software solutions and technology to customers. This involves both upstream activities (suppliers and partners) and downstream activities (customers and end-users).

Tietoevry's upstream value chain focuses on the key inputs and partnerships necessary for delivering its services. This includes collaboration with global hardware and IT infrastructure providers, such as server and cloud suppliers, which are essential for running IT services, including cloud computing and data management solutions. The company also integrates third-party software into its offerings, and partners with vendors to provide the latest technologies, development tools and software platforms (e.g. AI tools and enterprise resource planning software). Additionally, as a knowledge-based company, skilled employees and consultants are critical upstream resources. Tietoevry engages a network of professionals, including software developers, data experts, industry experts and IT specialists, to deliver its services. Partnerships with educational institutions and external staffing agencies also form part of this value-chain segment.

Tietoevry's downstream value chain is centred on delivering software products, digital services and technology solutions to its customers and end-users. Tietoevry offers industry-specific software, custom solutions, cloud services, data management, cybersecurity and consulting services to enhance customer operations and to support customers' business agenda and performance. Additionally, Tietoevry plays a key role in enabling end-to-end digital transformation for its customers. The company's downstream services include advisory, solutioning, project management, design, software/data engineering, application services, implementation of software for customers, software support and managed services across software/SaaS, applications and infrastructure, and further end-user support. The company also offers managed outsourcing services, operating and managing IT infrastructure and applications enabling customers to focus on their core operations.

Tietoevry operates at the intersection of business and technology – applying technology to customers' business benefit. The company connects upstream technology suppliers – such as hardware, cloud infrastructure and software providers – with the customers/industries it serves. Acting as both an integrator and an innovator, Tietoevry utilizes upstream technologies in its software, system integration, and consulting and managed services solutions for its downstream customers.

TIETOEVRY'S VALUE CHAIN

Upstream

- 3rd party software providers
- 3rd party hardware and infrastructure providers
- Leased facilities including datacenters
- Subcontractors

→

Own operations

Own people and assets

- Employees
- Software
- Intellectual property
- Tools, processes and systems
- Hardware and software
- Facilities including datacenters

↑

Core activities

Software: Sales and product management – System architecture – Software design, development and testing – Software release – Customer deployment – Customer support.

Services: Customer engagement and solution sales – Solution design – Solution development/engineering – Solution delivery/deployment – Customer support.

→

Downstream

Customers and society

Inputs

Tietoevry’s key inputs are human capital, technology infrastructure, software and partnerships. These are developed with efficient talent management and sustainable sourcing practices.

The company’s workforce is essential for delivering services and driving innovation. This includes specialized capabilities in design, digital consulting, system integration, managed services, cloud, data/AI, software development and cybersecurity. Moreover, Tietoevry depends on cloud technologies and hardware from key suppliers, encompassing servers, networking equipment and data centre infrastructure. A diverse range of third-party software development tools, platforms and data/AI technologies support the company’s software development efforts.

Strategic partnerships with technology providers, universities and research institutions enable Tietoevry to stay at the forefront of innovation and adopt the latest advancements in technology. Strong supplier relationships for hardware and software ensure access to the best technologies and tools.

To secure and develop these inputs, Tietoevry emphasizes competitive talent management practices. By recruiting top talent from global markets and collaborating with educational institutions and forming partnerships, the company maintains a steady pipeline of qualified professionals. Ongoing professional development is a priority, with training and certification programmes that keep employees adept in the latest technologies.

In terms of technology sourcing, Tietoevry prioritizes sustainable practices and environmentally certified hardware and partners that align with the company’s sustainability goals. Regarding innovation, the company invests in research and development of its software products, and advancing technology solutions with its customers.

Security and risk management are considered in all sourcing practices and customer deliveries. Tietoevry implements stringent cybersecurity measures to protect data and ensure compliance with regulations such as the GDPR. Additionally, the company carefully vets its strategic suppliers and partners to uphold ethical and sustainability standards throughout its supply chain.

Outputs

Tietoevry’s outputs include software products, services and solutions delivered to customers. These outputs translate into both current and future benefits in terms of competitiveness, efficiency and innovation for customers. Key outputs include digital transformation, cloud services and data/AI-enabled services, and industry-specific software solutions and platforms.

Current and expected customer benefits include enhanced operational efficiency, competitiveness and innovation. Additionally, customers are supported in their sustainability efforts with software that optimizes core processes and solutions that support their overall business agenda, with sustainability embedded.

For investors, Tietoevry’s outputs are centred around the company’s financial and sustainability performance. Furthermore, outputs relate to the ability to adapt to market trends and technological advancements. Key outputs include revenue growth, earnings, cash flow and investment in technologies like AI, automation and cloud solutions, positioning the company for continued growth in a digital-first economy. Moreover, Tietoevry’s sustainable business practices are becoming an increasingly important factor for investors and can enhance the company’s attractiveness to responsible investors.

The immediate and expected outputs for Tietoevry’s employees are centred around professional development, including upskilling and reskilling, employee well-being, and diversity and inclusion initiatives. As a knowledge-based company, Tietoevry’s success is closely tied to the engagement and development of its employees. Current and expected benefits for employees include continuous learning, job satisfaction and career development. These benefits allow employees to advance within the company and contribute to innovative projects. Another key benefit is diversity and inclusion. By fostering an inclusive culture, Tietoevry helps employees to feel valued and respected. This supports engagement and productivity, contributing to products and services that meet the needs of current and future customers.

Tietoevry’s impact on society extends beyond its customers and employees. The company contributes to communities through initiatives such as digital inclusion projects. Current and expected outcomes for society include improving quality of life by enabling essential services like healthcare, education and government services through digital platforms. Additional benefits include contributions to global efforts to mitigate climate change through energy-efficient operations and the use of renewable energy.

Tietoevry interacts with regulators, particularly regarding data privacy, cybersecurity and sustainability regulation. The company ensures compliance with regulation such as GDPR and actively participates in policy discussions around digital transformation. Key outputs include compliance with regulation, which builds trust with policy makers. This results in immediate and anticipated benefits for regulators by supporting the enforcement of data protection, cybersecurity, and sustainability standards, helping to ensure the safety and security of digital ecosystems.

Elements of strategy that relate to or impact sustainability matters

Sustainability is embedded in Tietoevry’s strategy and day-to-day practices. Through innovative technologies, transparent sustainability reporting and responsible digital transformation, the company addresses key challenges while creating long-term stakeholder value. Below is an overview of the sustainability-related elements in Tietoevry's practices, including key challenges and critical solutions.

Tietoevry is committed to reducing its carbon footprint, with a focus on energy efficiency and digital solutions. The company strives towards low carbon data centres, cloud solutions and energy-efficient infrastructure as part of its operations. The growing demand for data and cloud services requires a significant amount of energy, making it challenging to maintain low carbon emissions while expanding digital infrastructure. Tietoevry is using renewable energy to power its data centres, exploring new ways to reduce energy consumption across its services, and continuously innovating in digital solutions to balance sustainability with business growth.

Strong governance practices and compliance with sustainability regulations – such as the CSRD, GDPR, EU AI Act, the Norwegian Transparency Act and the upcoming EU Corporate Sustainability Due Diligence Directive – are central in Tietoevry's performance and in maintaining stakeholder trust.

Tietoevry prioritizes diversity, equity and inclusion (DEI) within its workforce. The company also aim to ensure digital inclusion through its services and products in the communities it serves. Attracting a diverse talent pool and fostering equity and inclusion in a fast-changing industry with a talent shortage are significant challenges. It also includes ensuring equal access to technology across regions with different socioeconomic conditions. Tietoevry is thus investing in employee development programmes and diversity initiatives within the societies in which the company operates.

The company is constantly improving its supplier engagement practices to ensure responsible business practices within its supply chain, while also performing a range of assessments and follow-up activities. Tietoevry strongly encourages suppliers to set Science Based Targets (SBT) for full scopes as defined by the Greenhouse Gas Protocol Corporate Standard, and to have these verified by the Science Based Target initiative (SBTi). Tietoevry includes climate-related targets and performance as part of its supplier selection criteria. This means that suppliers who share the company's ambitions related to carbon reduction will have higher success in winning business from Tietoevry.

Sustainability-related goals for key products and services, customer categories, geographical areas and relationships with stakeholders

Tietoevry's five specialized end-to-end businesses are accountable for achieving the Group's sustainability targets. However, goals related to key products and service groups, customer categories, geographical areas and stakeholder relationships have not been assessed, as such goals have not been established at the Group level. Business-specific goals are available for some products and services.

Assessment of current significant products and (or) services, and significant markets and customer groups, in relation to sustainability-related goals

Alongside the annual EU taxonomy alignment assessment, Tietoevry has conducted an inventory of its sustainability-related offerings. The results provided a view into how these offerings contribute to the company's sustainability goals. The assessment, while focusing on the climate and environment, revealed that sustainable technology offerings exist across the company. Revenue linked to sustainable technologies was identified in all business areas. These offerings generally fall into two categories: those developed to improve customers' sustainability performance, and those contributing to sustainability, even if not specifically designed for that purpose. The findings of the double materiality assessment indicate correlations between Tietoevry's current offerings and the identified material topics, as well as with the company's sustainability-related goals. However, these correlations require further analysis and refinement to effectively guide future actions. In particular, during 2025 greater emphasis will be placed on assessing the topics where Tietoevry has identified actual and potential positive impacts and financial opportunities. The company aims to develop concrete targets in these areas.

Interests and views of stakeholders (SBM-2)

The company aims to develop its business operations, products and services that contribute to innovation, sustainability, compliance and stakeholder value. Through continuous engagement and open dialogue, Tietoevry adapts its operations to meet the evolving needs of its stakeholders.

Tietoevry’s stakeholder engagement spans a wide spectrum of affected stakeholders and users of the company’s Sustainability Statement, such as employees and other personnel, customers and end-users, investors and shareholders, suppliers, business partners, potential employees and students. These stakeholders are directly and indirectly affected by Tietoevry’s operations and activities.

The Board oversees the company’s ESG practices, while Group Sustainability in collaboration with relevant company functions, manages and coordinates stakeholder dialogue.

Outcome

Dialogue with stakeholders informs Tietoevry’s action plans for managing impacts, risks and opportunities. Stakeholder perspectives are incorporated into sustainability reporting and management reports at Tietoevry, offering feedback on the company's overall business performance. In response to employee feedback, the company has increased transparency around skills and staffing, enhanced support mechanisms for remote working, and revitalized its learning platforms. Customer feedback has driven a renewed emphasis on the quality of service delivery, fostering a more customer-centric culture and enhancing communication methods.

To keep investors and shareholders informed, Tietoevry provides regular updates on its overall business performance, objectives and key initiatives. Collaborations with suppliers and business partners are aligned to focus on shared innovation and business objectives including sustainability. In efforts to attract potential employees and students, Tietoevry has refined its digital outreach and incorporated innovative technologies into its recruitment processes.

Tietoevry periodically reviews its strategy in order to be competitive in the market and create value for all its stakeholders, including customers, employees, investors and society at large. The strategy review involves defining the markets, product/services portfolio choices, capability needs, operating model and financial outcomes. The strategy is operationalized through yearly operating plans with specific operational and financial objectives. Actions towards these objectives are reviewed regularly to ensure value creation for all stakeholders.

Tietoevry's approach to stakeholder engagement extends beyond the periodic conduct or validation of the double materiality assessment. The company is committed to maintaining an ongoing dialogue with stakeholders throughout the year, ensuring that their insights continually inform and align with Tietoevry's objectives. This consistent engagement is a cornerstone of the company’s efforts to foster a culture of continuous improvement and responsiveness to stakeholder needs and aspirations.

The table below presents a summary of Tietoevry’s key stakeholders, type of engagement, key topics and outcomes of engagement.

Interests and views of stakeholders

Stakeholder	Stakeholder engagement	Key topics	Outcomes
Employees and other personnel	• Frequent employee surveys and quarterly all-hands calls • Collaborations with work councils and unions (European Work Council and other local collaborations) • Implementation of talent management processes • Engaging in development discussions, ongoing dialogue and feedback • Offering learning and development opportunities • Communication tools and forums available for all, such as a social intranet	• Health, safety and well-being • Diversity, equity, and inclusion (DEI) • Competence development and available career paths • Cybersecurity and privacy • Strategy, company direction and financial performance	• Understanding of employee needs and providing a safe workplace environment • Establishing diversity, equity, and inclusion (DEI) initiatives • Offering training programmes and workshops • Fostering a working culture that promotes open dialogue
Customers and end-users	• Customer feedback through experience and satisfaction surveys • Active dialogue and joint planning sessions • Regular innovation initiatives • Customer newsletters, seminars and workshops	• Customer experience • Product/service quality and safety • Sustainability • Innovation and development • Governance and business conduct, including ethics • Human rights • Responsible sourcing and transparency • Cybersecurity and privacy	• Understanding of customer needs • Utilizing feedback for quality improvements • Enhancing customer-centric culture and ways of working • Driving innovation and development
Suppliers and business partners	• Regular meetings on strategic, tactical and operational level, with commercial and technical perspectives • Bilateral supplier relationship • Performance management programmes • Sustainability assessment with major suppliers • Reviews of Supplier Code of Conduct coverage with regular suppliers • Identifying and engaging with emerging partners and ecosystems to accelerate customer value	• Supplier experience • Product/service quality and safety • Sustainability • Innovation and development • Governance and business conduct including ethics • Human rights • Responsible sourcing and transparency • Cybersecurity and privacy	• Collaborating on quality enhancements • Ensuring sustainable sourcing and continuous development through proactive operating models • Continuously assessing supplier sustainability as part of sourcing due diligence
Investors, shareholders and analysts	• Investor meetings and presentations • Close interaction with shareholders in connection with the Annual General Meeting • Regular financial reporting	• Financial performance and developments • Market environment • Company strategy • ESG performance and developments • Risks and opportunities	• Insights on financial performance and position • Clarification of future opportunities, strategy, and ambitions • Communication on risks associated with the market and operations
Potential employees and students	• Virtual Career days and student fairs • Thesis collaborations • Recruitment processes • Graduate programmes and internships • Social media	• Learning and education • Career opportunities • Insights on Tietoevry’s operations • Innovation and sustainability efforts • Diversity, equity, and inclusion (DEI)	• Inclusive recruitment processes • Academic partnerships • Expanding knowledge on Tietoevry's operations and employment opportunities

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

Tietoevry's material impacts, risks and opportunities (IRO) have been assessed throughout Tietoevry's value chain, including own operations, all value chain workers, and consumers and end-users. The material risks and opportunities are predominantly rooted in its own operational activities, while the material impacts exert influence throughout its value chain. The negative impacts are typically situated upstream or within the company's direct operations. Conversely, the positive impacts are often observed downstream, as well as within the company's internal operations. The company's material impacts, risks and opportunities do not interact with its strategy.

Negative impacts and context at Tietoevry

- Climate change mitigation and energy (entire value chain): Energy consumption from Tietoevry's own operations and value chain contributes negatively to carbon emissions. Demand for digital services is growing and as a result energy use will increase, potentially resulting in higher GHG emissions and resource depletion
- Diversity and gender equality and equal pay for work of equal value, own workforce (own operations): Unconscious bias in recruitment, promotion and retention, disparities in access to professional development and training, gaps in pay equity between genders and in minority groups
- Collective bargaining, freedom of association and social dialogue, own workforce and workers in the value chain (own operations, upstream): Operations across multiple countries with different labour laws, regulations and practices. Some employees may face barriers to forming or joining unions. Dependence on global suppliers located in areas with weaker labour regulations also poses a risk of negative impact on collective bargaining and freedom of association
- Corruption and bribery incidents (entire value chain): As a listed company with global presence and offerings, Tietoevry is exposed to corruption and bribery risks in own operations. Such incidents may result in material negative impacts for individuals, legal entities, and societies that the company operates in. Tietoevry is subject to various anti-corruption legislation which extend responsibility to interactions in the entire value chain
- AI (entire value chain): Biases and discrimination, privacy concerns and ethical dilemmas, such as decision-making in critical scenarios. Automation can result in job displacement, causing social disruption, while training AI models requires significant energy and water, increasing carbon emissions
- Cybersecurity (own operations, downstream): Potential data breaches that lead to individual financial losses, damage to persons' reputations, regulatory fines and reputational damage. Disruption of services can cause negative impacts for customers, their customers and society as a whole

Positive impacts and context at Tietoevry

- Corporate culture (own operations), protection of whistleblowers and corruption and bribery prevention (entire value chain): Leadership commitment to ethical values, protection of whistleblowers to ensure anonymity, compliance programmes to prevent corruption and bribery, as well as audits to ensure adherence to anti-corruption policies, all contribute to a positive corporate culture supporting employee engagement and innovation
- Secure employment, work-life balance and working time, own workforce (own operations): Career advancement, including reskilling and upskilling, enabling employees to stay employable. Flexible arrangements like remote work and flexible hours, enabling effective time management while maintaining productivity
- Privacy for customers and end-users (downstream): Strict data protection measures and compliance with regulation, e.g. GDPR, as well as transparency about data collection and usage practices enhance customer loyalty and satisfaction
- Responsible AI (own operations, downstream): Clear ethical guidelines and training that prioritize and support human rights, diversity, fairness and transparency, and which foster trust and accountability in the development and deployment of AI technologies

Risks and context at Tietoevry

- Energy (own operations): The energy-intensive nature of data centres and cloud infrastructure, energy price volatility, supply chain disruptions and regulatory changes in own operations and supply chain
- Data privacy and cybersecurity (own operations, downstream): Management of critical IT infrastructure and sensitive data, compliance with data privacy regulations
- Gender equality and equal pay for work of equal value, own workforce (own operations): Under-representation of female employees in the industry and the company and its leadership, disparities in compensation

Opportunities and context at Tietoevry

- Climate mitigation (own operations, downstream), climate adaptation (own operations, downstream), circular economy (own operations, downstream): Offerings contributing to reduced GHG emissions and waste, circularity of hardware and software assets
- Working conditions, own workforce (own workforce): Promotion of secure employment, healthy working time and work-life balance reducing costs related to recruitment and retention
- Cybersecurity (own operations, downstream): Providing robust data protection protocols, cyber threat mitigation practices and the ability to adapt to new types of digital threats
- Responsible AI (own operations, downstream): Ethical AI practices and AI-driven products and services addressing societal challenges attract customers and enhance trust

TIETOEVRY'S MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROs)

	Not material from financial perspective	Material from financial perspective
Material from impact perspective	• Collective bargaining, freedom of association, social dialogue – own workforce (actual negative) • Diversity – own workforce (actual negative) • Collective bargaining, freedom of association – workers in the value chain – (actual negative) • Gender equality – workers in the value chain (potential negative) • Corporate culture (actual positive) • Protection of whistleblowers (actual positive) • Corruption and bribery prevention (actual positive) • Corruption and bribery incidents (potential negative)	• Energy (actual negative, risk) • Climate mitigation (actual negative, opportunity) • Secure employment – own workforce (actual positive, opportunity) • Working time – own workforce (actual positive, opportunity) • Work-life balance – own workforce (actual positive, opportunity) • Gender equality and equal pay for work of equal value – own workforce (actual negative, risk) • Privacy for consumers and end-users (actual positive, risk) • AI/Responsible AI (potential negative, opportunity) • Cybersecurity (risk, opportunity, potential negative)
Not material from impact perspective	• Pollution (7 topics) • Water and marine resources (7 topics) • Biodiversity and ecosystems (15 topics) • Own workforce (11 topics) • Workers in the value chain (14 topics) • Affected communities (11 topics) • Consumers and end-users (6 topics) • Business conduct (5 topics)	• Circular economy (opportunity) • Climate adaptation (opportunity)

The double materiality assessment result for Tietoevry Group has been calculated using a revenue-weighted approach (FY2022) across all businesses and topics. Thresholds have been set separately for each area (actual positive, actual negative, potential positive, potential negative, risks and opportunities) and those have been applied for the aggregated results.

Material impacts, risks and opportunities

Source	Topic	Sub-topic	Sub-sub-topic	Negative actual or potential impact	Positive actual or potential impact	Risk	Opportunity
ESRS E1	Climate change	Climate change adaptation					✓
		Climate change mitigation		✓			✓
		Energy		✓		✓	
ESRS E5	Circular economy						✓
ESRS S1	Own workforce	Working conditions	Secure employment		✓		✓
			Working time		✓		✓
			Social dialogue	✓			
			Freedom of association, the existence of works councils and the information, consultation and participation rights of workers	✓			
			Collective bargaining, including rate of workers covered by collective agreements	✓			
			Work-life balance		✓		✓
		Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	✓		✓	
			Diversity	✓			

Source	Topic	Sub-topic	Sub-sub-topic	Negative actual or potential impact	Positive actual or potential impact	Risk	Opportunity
ESRS S2	**Workers in the value chain**	Working conditions	Freedom of association, the existence of works councils and the information, consultation and participation rights of workers	✓			
			Collective bargaining, including rate of workers covered by collective agreements	✓			
		Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	✓			
ESRS S4	**Consumers and end-users**	Information-related impacts for consumers and/or end-users	Privacy		✓	✓	
ESRS G1	**Business conduct**	Corporate culture			✓		
		Protection of whistle-blowers			✓		
		Corruption and bribery	Prevention and detection including training		✓		
			Incidents	✓			
Entity specific topics	**Cybersecurity**			✓		✓	✓
	Responsible AI			✓			✓

Time horizons related to material impacts

The double materiality process has been informed by the requirements of ESRS and the time horizons used have been aligned with these standards. This ensures a forward-looking approach that captures both immediate and long-term impacts, risks and opportunities. However, for the first year of reporting according to the CSRD/ESRS, Tietoevry has applied one time horizon (0-5 years) when assessing potential negative and positive impacts, and opportunities and risks. The time horizons will be revisited and made more granular, including the development of long-term horizons.

The implementation of the double materiality assessment has impacted the way Tietoevry identifies and assesses its sustainability impacts, risks and opportunities. The requirement to report changes is not applicable since it is the first year of reporting.

Resilience in strategy and business model to address material impacts, risks and opportunities

Tietoevry's resilience and competitiveness are derived from adapting to fast-paced technological advancements, addressing cybersecurity and environmental risks, and positioning the company to leverage opportunities in digital transformation and sustainability. To address shifts in customer expectations, the company's strategy emphasizes continuous innovation in key areas like cloud services, AI and automation.

Tietoevry aims to continuously adapt to emerging sustainability regulations and stakeholder expectations. The company has several practices to mitigate and manage material impacts and risks. As a technology company, Tietoevry faces significant risks related to cybersecurity and data privacy. By having robust data protection protocols, cyber threat mitigation practices and the ability to adapt to new types of digital threats, Tietoevry ensures resilience in these areas. Resilience in relation to energy consumption is also a critical consideration, given the rising energy demands of data centres, computing infrastructure and the shift to cloud-based services. Actions taken by Tietoevry include energy-efficient solutions and measures, including the use of renewable energy to reduce its carbon footprints. Tietoevry also adapts itself to changing regulation, e.g. by ensuring compliance with existing and upcoming data protection laws, environmental standards, labour laws and sustainability legislation.

With the increasing demand for digitalization across sectors, Tietoevry is positioned to take advantage of the growing need for IT services, AI-based solutions, cloud infrastructure and automation technologies. Tietoevry can leverage its sustainability efforts by also helping customers to achieve their own ESG goals through some of Tietoevry's digital solutions.

Current and anticipated effects on business model, value chain and strategy

Tietoevry's response to the material impacts has led to several considerations in its business model and strategy:

- Sustainability embedded into operations: The company has integrated ESG factors into its core business processes, governance structures and supply chain management. This includes adopting responsible sourcing practices and partnering with suppliers committed to similar sustainability goals
- Energy transition in operations: Tietoevry has committed to reducing its energy consumption and carbon footprint in own operations by continuing the transition to 100% renewable energy for its data centres and offices. This move not only reduces environmental risks, but also presents an opportunity to attract sustainability-focused clients and partners
- Investments in innovation for sustainability: The company is increasing its investments in developing new products and services. Due to their technology intensity, these services can potentially support the ESG agenda of the industry and customers. For instance, cloud solutions and AI-driven systems are being designed to optimize energy use, reduce waste and enable businesses/clients to achieve their sustainability targets
- Future outlook: Looking forward, Tietoevry plans to continue to adapt to global sustainability standards, while also anticipating new opportunities arising from emerging technologies like AI. These innovations will drive further improvements in operational efficiency and the customer experience, while helping mitigate risks associated with climate change, regulatory shifts and social transformation

Current financial effects of material risks and opportunities

The current financial effects of material risks and opportunities on financial performance have been assessed based on their estimated impact on revenue and costs. Risks and opportunities are not deemed to have a material impact on the company's financial position, nor does the company see significant risks of material adjustments to the carrying amounts within the next annual reporting period.

Current financial effects of material risks and opportunities

Opportunities	Impact on financial performance and cash flow	Actions taken described under each topic
Climate change mitigation	Revenue for related EU Taxonomy-eligible offerings amounted to EUR 448.4 million. Eligible capital expenditure amounted to EUR 92.0 million and operating expenditure to EUR 18.5 million.	Read more in Climate change and EU Taxonomy
Climate change adaptation	The company has not recognized any revenue for climate change adaptation.	Read more in Climate change
Circular economy	Revenue for related EU Taxonomy-aligned offerings amounted to EUR 7.5 million. Circulation of hardware is anticipated to result in savings.	Read more in Resource use and circular economy, and EU Taxonomy
Working conditions (own workforce)	A large portion of the work related to the topic is embedded in employees' daily routines, and hence not all standalone costs are available.	Read more in Own workforce
Cybersecurity (both risk and opportunity)	Cybersecurity is an integral part of several offerings, and therefore standalone profitability or cash flow is not available. However, these offerings overall are profitable. In 2024, the company experienced a criminal ransomware attack in one of its data centres in Sweden, resulting in negative impact on growth and profit. Read more in the Notes to the Financial Statements.	Read more in Cybersecurity
Responsible AI	AI is an integral part of several offerings, and therefore standalone profitability or cash flow is not available. However, these offerings overall are profitable.	Read more in Responsible AI
Risks		
Energy	A large portion of the work related to the topic is embedded in employees' daily routines, and hence not all standalone costs are available. In 2024, the company booked incremental costs for data centre consolidation, renewable energy and continued development of Environmental Management System (EMS). Data centre modernization and new technologies have improved energy efficiency and are anticipated to contribute to reduction in energy consumption in the long term. Measures in 2024 also include the renewal of the lighting system at the headquarters.	Read more in Climate change
Gender equality (own workforce)	A large portion of the work related to the topic is embedded in employees' daily routines, and hence not all standalone costs are available. Measures during 2024 include surveys and training.	Read more in Own workforce
Privacy	A large portion of the work related to the topic is embedded in employees' daily routines, and hence standalone costs are not available.	Read more in Consumers and end-users

Impact, risk and opportunity management

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

Tietoevry's double materiality assessment included creating an overview of activities, business relationships and affected stakeholders, along with a background analysis covering industry context, business activities, sustainability frameworks, legislation and peer reviews. The assessment covered the full value chain, including all employees and workers. Special attention is given to workforce segments that may face higher risks, including vulnerable groups.

The process to identify and assess impacts, risks and opportunities used key inputs such as carbon dioxide equivalent (CO_2e) emissions data, the company's TCFD analysis, human rights risk assessments, diversity metrics, health and safety data and ESG risks from Tietoevry's governance, risk, and compliance (GRC) platform. Geographic risk assessments and the Sustainability Accounting Standards Board's (SASB) materiality matrix helped identify value chain risks, considering upstream partners' locations and spending. Sector averages and estimates filled data gaps in the materiality process. In terms of circular economy, Tietoevry also screened its business activities and current solutions available in the market, as well as conducted a literature review. Consultation was carried out with internal and external stakeholders, such as experts from the company's circularity service providers.

The double materiality analysis as a whole included stakeholder interviews and a review of the existing materiality assessment, followed by an impact and financial materiality assessment. The assessment was conducted separately for each of Tietoevry's five specialized end-to-end business, including resources from Business Development and Strategy, Human Resources, Finance, Risk, Sustainability, Operational Excellence and CBS.

When assessing impact materiality, Tietoevry evaluated actual and potential sustainability impacts – both positive and negative – arising from its operations and business relationships across its value chain. For actual negative impacts, materiality was based on severity; for potential negatives, both severity and likelihood were considered. Actual positive impacts were evaluated by scale and scope, including likelihood of future benefits. Financial materiality was assessed by potential financial impacts, such as changes in assets and/or liabilities, changes in profit or loss, and company reputation, along with likelihood.

Scoring parameters followed the ESRS and guidance on the double materiality process from the European Financial Reporting Advisory Group (EFRAG). For impacts deemed "actual", likelihood was automatically set to the highest probability. Materiality thresholds were established through collaboration between each business and Group Sustainability, with final results for Tietoevry Group weighted by FY2022 revenue. Separate thresholds were applied across categories (actual positive, actual negative, potential positive, potential negative, risks and opportunities) to ensure relevance. A principle of reasonableness was applied to qualitative thresholds, ensuring accuracy based on available data.

Internal controls and subject-matter verification, supported by stakeholder engagement, ensured reliability in Tietoevry's sustainability reporting. The result of the company's double materiality assessment, aligning with ESRS requirements, was reviewed by the ARC of the Board.

In the process of identifying and assessing impacts, risks and opportunities in the ESG context, Tietoevry has sought to understand the associated interconnections. This involves a mapping of how the company's impacts and dependencies translate into potential risks and opportunities, both financial and reputational. For instance, Tietoevry has identified a key connection between its negative environmental impact, stemming from substantial energy consumption, and the associated financial risk. The company's reliance on energy, particularly for its data centres, creates a risk in the face of potential energy price surges, which could significantly affect operational costs. Similarly, Tietoevry's dependency on a skilled workforce highlights the impact of its employment practices on talent retention and acquisition. The company understands that fostering a diverse and inclusive work environment can mitigate the risk of talent shortages and unlock opportunities for innovation. Tietoevry's approach to mapping these connections is iterative and adaptive, ensuring that as new information emerges and the business landscape evolves, the company can refine its understanding of how impacts and dependencies affect its risk profile and the opportunities available.

Tietoevry employs a systematic approach to risk management to enhance the efficiency, control, profitability, sustainability, and continuity of business operations. This involves a comprehensive process of assessing, identifying, evaluating, and analysing risks that could impact business objectives, people and the environment from an ESG perspective. By implementing appropriate risk treatment actions, the impact and likelihood of risks are minimized.

Using a consistent risk matrix applied across the company, risks are prioritized by assessing their impact and likelihood. ESG impacts and risks, including those identified in the company's double materiality assessment, are an integral part of the risk matrix. These are prioritized based on their potential impact on people and the planet, including regulatory compliance, but also potential impacts on the company's financial performance and status. Metrics are used to rank ESG risks and impacts. High-priority ESG risks include those that could lead to regulatory penalties (e.g. bribery, corruption), significant environmental harm, or severe human rights violations, all of which are treated as high-impact risks requiring mitigation.

Tietoevry has refined its process for double materiality during the current reporting period, ensuring that both the impact perspective (how the company affects the environment and society) and the financial perspective (how environmental and social issues affect the company) are thoroughly evaluated when determining materiality. This represents an evolution from the previous reporting period, where the parameters and perspectives assessed were less comprehensive.

The last modification to the double materiality assessment occurred during the second half of the reporting year, with ESRS 2 as the guiding framework, ensuring that Tietoevry considered the effects of the criminal ransomware attack in one of Tietoevry's data centers in Sweden. To maintain alignment with evolving sustainability practices and standards, Tietoevry is committed to revising the double materiality assessment regularly to ensure it remains relevant and accurate. The next scheduled review is set for Q2 2025.

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

In the process of identifying Tietoevry's material climate-related impacts, risks and opportunities, the company considered its impacts on climate change from GHG emissions. The main emissions related to the company's own operations include energy consumption in offices and data centres. In the upstream value chain, most of the emissions are generated from Purchased goods and services as well as Capital goods, while in its downstream value chain emissions come from the use of sold products.

Climate-related physical risks in own operations and along the upstream and downstream value chain were also considered during the process, using input from Tietoevry's resilience analysis as part of the company's TCFD analysis carried out during 2022-2023.

To identify potential climate-related risks, the following three scenarios were used:

- International Energy Agency (IEA) Net Zero Emissions (NZE) 2050: In this net-zero transition scenario, advanced economies reach net-zero emissions by 2035, with 90% of electricity coming from renewable sources by 2050. The key risk identified for Tietoevry in this scenario is related to carbon pricing, renewable energy cost and alignment with evolving regulations
- The Representative Concentration Pathways (RCP) 8.5: This scenario envisions high levels of carbon emissions leading to over 4°C global temperature rise by the end of the century, with increasing extreme weather events, a rise in the sea-level and more severe storms. For Tietoevry, this presents substantial physical risks to facilities and disruptions in its supply chain
- RCP 4.5: This middle-path scenario includes a peak of emissions around 2040, with global warming stabilizing between 2°C and 3°C. This scenario presents both transitional and physical risks for Tietoevry

The risks and opportunities have been identified through Tietoevry's risk management processes, workshops, and the scenario analysis conducted in connection with the TCFD analysis. The risks are defined by their potential financial impacts and the deemed likelihood of occurrence. Identified risks were analyzed in different climate scenarios, including analyses of potential financial impacts and mitigation/adaptation strategies.

The physical climate-related risks identified in Tietoevry's operating countries were assessed using the INFORM Risk Assessment model. It uses RCPs and Shared Socioeconomic Pathways (SSPs) projections to evaluate hazards, vulnerability and a country's ability to cope with crises. Exposure to physical hazards was identified on a country-by-country scale in countries where Tietoevry has operations. Each location was assigned a risk value that corresponds to a hazard risk class, ranging from very low to very high. Identified physical climate-related risks include potential electricity blackouts or production disruptions due to extreme weather events. The projections forecast climate risks up to 2050 and 2080, guiding the company's long-term strategy for resilience.

Tietoevry uses the same information and assumptions, including climate related assumptions, as a basis for the preparation of its consolidated financial statements and sustainability statement. Tietoevry has considered the impact of climate change when preparing the consolidated financial statements. There has not been any material impact on judgements and estimates arising from those considerations.

Information on assets and business activities that need significant efforts to be compatible with transition to climate-neutral economy is disclosed in E1 - Climate change.

Information about the process to identify actual and potential pollution-related impacts, risks and opportunities

Tietoevry's business activities were assessed as part of the company's double materiality assessment, but not at the level of specific sites. Pollution of soil, pollution of living organisms and food resources, substances of concern and substances of very high concern were considered non-material due to the nature of Tietoevry's operations. However, pollution of air was evaluated as a potential material topic, primarily due to diesel use for backup generators and testing in data centres, as well as value chain activities, such as hardware production and business travel. Pollution to air was assessed as an actual negative impact during the assessment, even though it is not material.

Water pollution was also assessed due to hardware usage in data centres and by employees. Hardware production involves significant water usage, potentially leading to pollution or water scarcity depending on the practices involved. Although water pollution was identified as a potential impact, it was not classified as material.

Disclosure of whether and how consultations have been conducted (pollution)

Tietoevry has carried out consultations with internal and external stakeholders to identify and assess material pollution-related impacts, risks and opportunities. However, potentially affected communities have not been consulted.

Disclosure of results of materiality assessment (pollution)

Tietoevry identified air pollution and water pollution as actual or potential negative impacts in its double materiality assessment, but neither of the topics were deemed material.

Disclosure of whether and how assets and activities have been screened in order to identify actual and potential water and marine resources-related impacts, risks and opportunities in own operations and upstream and downstream value chain

Tietoevry evaluated impacts, risks, and opportunities related to water and marine resources using both internal and external expertise, focusing on its own operations and value chain. The company is primarily linked to water-related impacts within its supply chain, while water consumption in its own operations is limited – mainly for employee offices, cooling, and excess heat transfer to district heating networks. Water use at major sites is regularly monitored.

Potential negative impacts on water in the value chain are mainly related to hardware production, due to the water-intense nature of these operations. Tietoevry is mitigating any potential negative impact on water and marine resources in its value chain through contractual relationships, by requiring contracted suppliers to accept Tietoevry's Supplier Code of Conduct, which includes topics such as environmental management. Supplier selection and engagement activities address water protection and efficiency, particularly for suppliers operating in industries with potential or actual negative impacts in these areas.

Disclosure of how consultations have been conducted (water and marine resources)

Tietoevry has consulted internal stakeholders from relevant areas linked to activities relevant for water and marine resources impact, risks and opportunities. These stakeholders include sourcing partners responsible for assets, facility and environmental experts, and employees in data centre operations.

Disclosure of whether and how actual and potential impacts on biodiversity and ecosystems at own site locations and in value chain have been identified and assessed

Impact on the state of species and impact on the extent and conditions of ecosystems were not considered material for Tietoevry to assess, given the nature of the company's operations in combination with the result of the background analysis. However, direct impact drivers of biodiversity loss were assessed on a sub-topic level.

Tietoevry has a local potential negative impact (not material) on land-use change and sea-water usage due to its data centre operations. Potential negative impacts related to climate change and pollution can also be generated from activities in the supply chain, including manufacturing of hardware, end-of-life practices of hardware and business travel.

Disclosure of whether and how dependencies on biodiversity and ecosystems and their services have been identified and assessed at own site locations and in value chain

In Tietoevry's own operations, the dependencies on biodiversity and ecosystems and ecosystem services have been identified at a high level in connection with green building certifications. Locally in its own operations, Tietoevry's main offices are green certified with LEED or BREEAM certifications. These certifications include criteria for biodiversity and sustainable site development. In Tietoevry's offices, dependencies on biodiversity and ecosystem services are identified as air quality (plants and trees around offices produce oxygen and are crucial for maintaining a healthy indoor environment), energy efficiency (green roofs and walls can help to insulate buildings, reducing the need for heating and cooling while supporting local biodiversity) and water supply (healthy ecosystems play a vital role in filtering and regulating water supplies).

Tietoevry is planning to take more actions to enhance biodiversity-related assessment in its own operations and value chain within the next two years.

Disclosure of whether and how transition and physical risks and opportunities related to biodiversity and ecosystems have been identified and assessed

Climate change physical risks in Tietoevry's facilities are monitored regularly and mitigated locally in Tietoevry's operations via the Facility management organization and the Environmental Management System (EMS), and are reported via the risk reporting system when applicable. Climate-related risk management within Tietoevry is integrated into the multi-disciplinary company-wide risk management process. Physical risks and opportunities related specifically to biodiversity and ecosystems have not been assessed.

Disclosure of whether and how systemic risks have been considered (biodiversity and ecosystems)

Tietoevry has not assessed systemic risks related to biodiversity and ecosystems. The company is aiming to conduct an assessment within the next two years.

Disclosure of whether and how consultations with affected communities on sustainability assessments of shared biological resources and ecosystems have been conducted

As the topic of biodiversity and ecosystems has not been deemed material to assess for Tietoevry, the company has not conducted consultations with affected communities.

Disclosure of whether and how specific sites, raw materials production or sourcing with negative or potential negative impacts on affected communities

Tietoevry has assessed that the company has a potential negative impact on affected communities through its sourcing activities for hardware components. More specifically, the hardware value chain consists of activities that can potentially lead to negative impacts on affected communities, including water scarcity, deforestation, pollution, and social and economic problems.

Disclosure of whether and how communities were involved in materiality assessment

Tietoevry has not conducted consultations with communities in the process of identifying and assessing material impacts, risks and opportunities related to biodiversity and ecosystems.

Undertaking has sites located in or near biodiversity-sensitive areas

Biodiversity-sensitive areas are regions that are crucial for conservation of biodiversity due to their rich variety of species and ecosystems. Tietoevry's sites are not located in or near to legally protected areas, UNESCO World Heritage sites, UNESCO Man and the Biosphere Reserves, Ramsar sites, key biodiversity areas or other areas that are important for biodiversity. Assessment does not cover all value-chain related sites. Biodiversity mitigation measures will be considered to reduce and offset any negative impacts of actions on biodiversity in connection with development projects.

Disclosure Requirements in ESRS covered by the undertaking's Sustainability Statement (IRO-2)

The material impacts, risks and opportunities disclosed have been identified and evaluated during Tietoevry's double materiality assessment, covering all sustainability matters covered in topical ESRS (ESRS 1 AR 16). In addition, Tietoevry identified entity-specific disclosures and associated impacts, risks and opportunities connected to the following topics: cybersecurity, AI and the use of responsible AI. The thresholds used adhere to EFRAG guidelines and incorporate a group-level weighting system that takes into account the aspects of Tietoevry's five specialized end-to-end businesses. The assessment established specific thresholds for negative and positive impacts, risks and opportunities to accurately represent Tietoevry's material areas. For Tietoevry's entity-specific topics SBM-3, MDR-P, MDR-A, MDR-T and MDR-M have been disclosed in the statement.

Environment

EU Taxonomy reporting

The EU Taxonomy, established by Regulation (EU) 2020/852, classifies economic activities that are considered environmentally sustainable. It provides a framework for directing financial flows towards green investment projects that support the EU's environmental objectives.

A taxonomy-eligible economic activity falls within the scope defined by the EU Taxonomy as potentially environmentally sustainable. Such an activity is listed in the Environmental or Climate Delegated Regulation, meaning it is recognized as relevant to the EU's environmental objectives. A taxonomy-aligned activity not only belongs to the eligible economic activities, but also meets the specific technical criteria set out in the EU Taxonomy. These criteria include that an activity should 'substantially contribute' to at least one environmental objective and should avoid causing 'significant harm' to any of the other five objectives. Furthermore, the company should comply with minimum safeguards.

Tietoevry has conducted its assessment of eligibility and alignment in accordance with the EU Taxonomy Regulation and the Delegated Regulations, and by interpreting the guidelines currently issued by the European Commission. Specialists with knowledge of each offering within the respective businesses were involved in the assessment, with support from Group Sustainability to interpret the economic activity description and the technical screening criteria. Additionally, minimum safeguards have been evaluated at Group level.

At present most of Tietoevry's offerings are not in scope of the EU Taxonomy. The European Commission may expand the EU Taxonomy to cover more sectors, including IT and Consulting. As part of this, the Commission is expected to develop additional technical screening criteria for activities that may not be fully addressed yet, including sectors that indirectly contribute to the environmental objectives.

Proportion of turnover (revenue) from products or services associated with taxonomy-aligned economic activities

	Financial year 2024			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic activities	Code	Turnover	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of taxonomy-aligned (A1) or eligible (A2) turnover in 2023	Category enabling activity	Category transitional activity
		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)																			
Provision of IT/OT data-driven solutions and software	CE4.1	7.5	0.3%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		7.5	0.3%	0%	0%	0%	0%	0.3%	0%	Y	Y	Y	Y	Y	Y	Y	0%		
Of which Enabling		7.5	0.3%	0%	0%	0%	0%	0.3%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E	
Of which Transitional		0.0	0%	0%													0%		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Data processing, hosting and related activities	CCM8.1	448.1	16%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								19%		
Provision of IT/OT data-driven solutions and software	CE4.1	0.3	0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		448.4	16%	16%	0%	0%	0%	0%	0%								19%[1]		
A. Turnover of Taxonomy eligible activities (A.1 + A.2)		455.9	16%	16%	0%	0%	0%	0%	0%								19%[1]		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		2 346.7	84%																
Total		2 802.6	100%																

[1)] In the table above, the comparative eligible revenue has been restated from 20% to 19%, indicating a change from EUR 575.6 million to EUR 535.6 million. A reassessment of one of the related offerings revealed that it does not fully meet the description of the economic activity 5.5 'Product-as-a-service and other circular use- and result-oriented service models' under the environmental objective 'Transition to circular economy'.

Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective; N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective; EL - Taxonomy-eligible activity for the relevant objective;
N/EL – not eligible, Taxonomy-non-eligible activity for the relevant environmental objective

Proportion of capital expenditure from products or services associated with taxonomy-aligned economic activities

	Financial year 2024			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic activities	Code	Capex	Proportion of capex	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of taxonomy-aligned (A1) or eligible (A2) turnover in 2023	Category enabling activity	Category transitional activity
		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)																			
Provision of IT/OT data-driven solutions and software	CE4.1	1.0	1%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	E	
Capex of environmentally sustainable activities (taxonomy-aligned (A.1)		1.0	1%	0%	0%	0%	0%	1%	0%	Y	Y	Y	Y	Y	Y	Y	0%		
of which enabling		1.0	1%	0%	0%	0%	0%	1%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E	
of which transitional		0.0	0%														0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Data processing, hosting and related activities	CCM8.1	31.3	21%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								26%		
Acquisition and ownership of buildings	CCM7.7	50.2	34%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								25%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM6.5	10.5	7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								9%		
Provision of IT/OT data-driven solutions and software	CE4.1	0.2	0.1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								1%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		92.2	63%	63%	0%	0%	0%	0%	0%								61%		
A. CapEx of Taxonomy eligible activities (A.1 + A.2)		93.2	64%	63%	0%	0%	0%	1%	0%								61%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Capex of taxonomy-non-eligible activities		52.5	36%																
Total		145.7	100%																

Proportion of operating expenditure from products or services associated with taxonomy-aligned economic activities

	Financial year 2024			Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic activities	Code	Opex	Proportion of opex	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of taxonomy-aligned (A1) or eligible (A2) turnover in 2023	Category enabling activity	Category transitional activity
		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)																			
Provision of IT/OT data-driven solutions and software	CE4.1	1.1	1%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	0%	E	
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1.1	1%	0%	0%	0%	0%	1%	0%	Y	Y	Y	Y	Y	Y	Y	0%		
Of which Enabling		1.1	1%	0%	0%	0%	0%	1%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E	
Of which Transitional		0.0	0%														0%		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Data processing, hosting and related activities	CCM8.1	15.1	17%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								18%		
Acquisition and ownership of buildings	CCM7.7	3.4	4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								3%		
Provision of IT/OT data-driven solutions and software	CE4.1	0.05	0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		18.5	21%	21%	0%	0%	0%	0%	0%								21%		
A. OpEx of Taxonomy eligible activities (A.1 + A.2)		19.7	22%	21%	0%	0%	0%	1%	0%								21%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		69.3	78%																
Total		88.9	100%																

Revenue

Tietoevry's eligible revenue amounted to a total of EUR 455.9 (535.6) million, or 16% (19%) of its total revenue. The largest share of Tietoevry's eligible revenue comes from data platform services, provided by Tietoevry Tech Services. These services fall under activity CCM8.1 'Data processing and hosting and related activities' contributing to the objective 'Climate change mitigation'. The relevant eligible revenue amounted to EUR 448.1 million which is a slight decrease compared to the previous year.

The proportion of eligible revenue at Group level was supported by several offerings contributing to the objective 'The transition to circular economy'. These offerings fall under activities CE4.1 'Provision of IT/OT data-driven solutions and software'. Tietoevry's eligible offerings with a total revenue of EUR 7.8 million, supporting circular economy, are being provided and developed across businesses. The Leasing Platform in Tietoevry Banking is an example of such an offering. This software solution is designed to help customers manage the lifecycle and circularity of assets, allowing users to track assets, optimize their use and manage their disposal or recycling at the end of life.

While several of the company's offerings have positive effects on environmental sustainability and are closely linked to economic activity CCM8.2 'Data-driven solutions for GHG emissions reductions' under the objective 'Climate change mitigation', revenue for those is not deemed eligible. This is because climate change mitigation is not the predominant aim of offerings in the manner described in economic activity CCM8.2. In addition to the objectives 'Climate change mitigation' and 'The transition to circular economy', Tietoevry does not report any eligible revenue or investments for offerings contributing to other objectives.

The company conducted alignment assessments for its eligible offerings. Following the assessments for technical screening criteria, the company concluded that the eligible offerings for activity CE4.1 'Provision of IT/OT data-driven solutions and software' fulfil the corresponding technical screening criteria. Thus, EUR 7.5 million or 0.3% eligible revenue is reported as aligned revenue.

Regarding data platform services, the assessment was conducted at data centre level. Tietoevry concluded that the eligible offerings for economic activity CCM8.1 'Data processing and hosting and related activities' (Climate change mitigation) to a large degree met the technical screening criteria, except for the criteria regarding the global warming potential (GWP) of refrigerants used in the data centre cooling system. Currently the alternatives to these refrigerants are limited but Tietoevry plans to gradually adopt solutions that comply with the required GWP limits.

Capital expenditure

Capital expenditure amounted to a total of EUR 145.7 (131.6) million, comprising EUR 85.0 million in additions to tangible and intangible assets (as presented in Financial Statements notes 14 and 15) and EUR 60.7 million in additions to right-of-use assets (Financial Statements note 16 additions to right-of-use assets also include remeasurements that are excluded here).

Taxonomy-eligible capital expenditure was EUR 93.2 (79.9) million, or 64% (61%) of the total amount. Out of the eligible capital expenditure, a total of EUR 32.5 million was related to data centres and eligible offerings and fell under the category *a) investments in assets or processes associated with taxonomy-eligible or taxonomy-aligned economic activities*. EUR 60.7 million were additions to right-of-use assets, which fall under the category *c) purchases of output from taxonomy-eligible or taxonomy-aligned economic activities*. Tietoevry did not report any capital expenditure under the category *b) part of a plan to expand taxonomy-aligned economic activities or to allow taxonomy-eligible economic activities to become taxonomy-aligned*.

Based on the technical screening criteria, the company identified EUR 1.0 million, or 1%, as aligned capital expenditure, which presented capitalized development expenditures for offerings for activity CE4.1 'Provision of IT/OT data-driven solutions and software'.

Operating expenditure

Operating expenditure as defined in the EU Taxonomy amounted to a total of EUR 88.9 (87.3) million, comprising EUR 85.5 million in offering and internal development and EUR 3.4 million in maintenance of premises and short-term leases.

Taxonomy-eligible operating expenditure was EUR 19.7 (18.1) million, or 22% (21%) of the total amount. Out of the eligible operating expenditure, a total of EUR 16.3 million was related to offering and internal development and fell under the category *a) expenditure related to assets or processes associated with taxonomy-eligible or taxonomy-aligned economic activities.* EUR 3.4 million were expenditures related to maintenance of premises and short-term leases, which fell under the category *c) purchases of output from taxonomy-aligned economic activities.* Tietoevry did not report any operating expenditure under the category *b) part of a plan to expand taxonomy-aligned economic activities or to allow taxonomy-eligible economic activities to become taxonomy-aligned.*

Based on the technical screening criteria, the company identified EUR 1.1 million, or 1%, as aligned operating expenditure, which presented development expenditures for offerings for activity CE4.1 'Provision of IT/OT data-driven solutions and software'.

Accounting policies for EU Taxonomy reporting

The required key performance indicators have been determined based on the company's financial reporting prepared in accordance with IFRS. Further details about the Group's accounting policies are described in the notes to the consolidated Financial Statements.

Revenue

At Group level, revenue comprises reportable segments' total revenue and eliminations for internal revenue. Tietoevry's eligibility assessment is primarily based on Group-level aggregated lead offerings, which is a key dimension in the company's internal operative accounting. Approaching the reporting through the assessment of lead offerings means that there is no risk of double counting.

Capital expenditure

Capital expenditure is defined as additions to tangible and intangible assets during the financial year considered before depreciation, amortization and any remeasurements (including those resulting from revaluations and impairments) and excluding fair value changes. It also includes additions to tangible and intangible assets resulting from business combinations and additions to right-of-use assets from lease contracts.

Capital expenditure in this taxonomy reporting section includes additions to right-of-use assets, reported in Note 16 in the Financial Statements, while this is excluded from capital expenditure presented in the Group's key figures in this Report by the Board of Directors. Identification of eligible capital expenditure was made based on Group-level reporting and thus there was no risk of double counting.

Operating expenditure

Operating expenditure is defined as expenditure related to research and development, building renovation measures, short-term leases, maintenance and repair, and any other direct expenditures relating to the servicing of assets of property, plant and equipment by Tietoevry or a third party to which activities are outsourced as necessary to ensure the continued and effective functioning of such assets. Only direct non-capitalized costs are included.

Tietoevry's operating expenditure consists of the following items:

- Costs for offering and internal development related to data platform services. In the financial reporting, these costs are included in employee benefit expenses
- Costs for maintenance and short-term lease. In the financial reporting, related costs are included in other operating expenses

Nuclear and fossil gas related activities

Disclosure referred to in Article 8(6) and (7) of the delegated regulation (EU) 2021/2178 is presented below.

Nuclear energy related activities	
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
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
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	
The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
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
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

Compliance with minimum safeguards

Tietoevry conducted an annual Group-level assessment to ensure compliance with minimum safeguards, confirming that its activities align with the UN Guiding Principles, OECD Guidelines for Multinational Enterprises, and the CSRD. This process evaluated the adequacy of due diligence practices and their implementation across the organization.

The assessment was primarily based on the 'Final Report on Minimum Safeguards' published by the Platform on Sustainable Finance (PSF) in October 2022. However, the November 2024 draft FAQ issued by the European Commission recommends considering the latest amendment of the OECD Guidelines in compliance assessments. Referencing both the PSF report and the draft FAQ ensures alignment with the most recent implementation guidance. The assessment included a structured approach with questions centred on four core areas of the minimum safeguards: human rights, anti-corruption, fair competition, and taxation, ensuring alignment with the relevant principles and guidelines. Relevant stakeholders, including the Group Compliance Officer, Head of Group Tax, and Senior Sustainability Manager responsible for human rights, were actively consulted during the process.

During 2024, the focus has been to further strengthen the corporate-wide due diligence measures, specifically with regards to human rights and corruption. Activities include a Group-wide anti-corruption assessment, implementation of sustainability assessment into the supplier selection process and human rights risk assessments of core corporate processes. The execution of activities demonstrates that Tietoevry meets the requirements for compliance with minimum safeguards.

E1 - Climate change

Strategy

Transition plan for climate change mitigation (E1-1)

Tietoevry's greenhouse gas (GHG) emissions related to own operations are generated by energy consumption in offices and data centres. In its upstream value chain, most of the emissions are generated by Purchased goods and services – including Capital goods – while downstream emissions come from the Use of sold products.

To enhance its climate transition, Tietoevry has established a high-level climate transition plan (CTP) approved by the Sustainability Steering Group. The CTP is focusing on climate change mitigation actions within its own operations and across the value chain. The CTP is aligned with Tietoevry's strategy that is further described in SBM-1 and SBM-3. Tietoevry has set science-based emission reduction targets covering all scopes. The SBT validation team has classified the company's scope 1 and 2 targets and has determined that the targets are in line with a 1.5°C trajectory. These targets are set through 2026, with the exception of the company's business travel target, which is extended to 2030. The targets meet the SBTi's latest guidelines (version 4.2).

In the CTP, Tietoevry is committed to reducing its absolute scope 1 and 2 GHG emissions by 90% by 2026 from the 2020 base year. The company is also committed to sourcing 100% renewable electricity by 2026 (up from 80% in 2020). Additionally, the company aims to cut its scope 3 GHG emissions from business travel by 47% per full-time employee by 2030, using 2019 as the base year. Tietoevry's supplier engagement target, 70% of suppliers having SBTs by 2026, aims to align emission reductions with the 1.5°C trajectory in the supply chain. In line with these goals, Tietoevry is targeting net zero emissions in its own operations by 2026. This will be achieved by reducing scope 1 and 2 emissions by 90%, with any residual emissions addressed annually through the purchase of high-quality carbon removal solutions.

During 2024 Tietoevry committed to establish a net zero target across the value chain aligned with SBTi's requirements. Key decarbonization levers include renewable energy usage, improving energy and material efficiency, adopting circular economy practices and engaging with suppliers who are reducing their own emissions aligned with the SBTs to reach net zero.

Energy efficiency is improved by optimizing office spaces, consolidating data centres and choosing energy-efficient devices. Business travel-related emissions are mitigated by enabling remote working and the use of virtual conference technologies, as well as by improving instructions and guidelines. In its upstream value chain, emissions are reduced via active engagement with the company's biggest suppliers and by encouraging them to set Science Based GHG reduction targets. All new and renewed material suppliers must accept Tietoevry's Supplier Code of Conduct, including environmental and climate topics. In the downstream value chain, Tietoevry can help customers reduce their emissions by using the company's products and services.

Tietoevry's locked-in GHG emissions primarily arise from its energy-intensive infrastructure, long equipment lifecycles and reliance on non-renewable energy sources. Data centres constitute a significant source of locked-in emissions, consuming large amounts of energy and often being built with lifespans of up to 20 years. This extended lifespan, coupled with reliance on fossil fuel-based electricity from backup diesel generators, can result in long-term emissions. Tietoevry's screening against the EU Taxonomy Regulation requirements identified a particular locked-in emission related to the global warming potential (GWP) of refrigerants used in the cooling systems of data centres. While alternatives to these refrigerants are limited, Tietoevry plans to gradually adopt solutions that comply with the required GWP limits. Furthermore, some locked-in emissions are tied to facility infrastructure in regions that are still heavily reliant on fossil fuels. As a result, Tietoevry is focusing on mitigating these emissions by gradually aligning its operations with more sustainable solutions and investing in upgrades where feasible.

Reducing locked-in emissions will require an incremental shift to renewable energy, upgrading existing infrastructure and minimizing air travel by promoting digital alternatives like virtual meetings. Additionally, in the upstream value chain, the production of devices such as smartphones, laptops and servers contributes to high carbon emissions. This is mainly due to the energy-intensive extraction and processing of raw materials, such as rare earth metals, as well as the manufacturing processes involved.

As part of Tietoevry's ongoing commitment to sustainability, the next steps in the climate transition journey include specifying the CTP to outline an actionable roadmap for achieving the company's climate goals, enhancing the accuracy of value chain-related GHG data to ensure more precise measurement and management of emissions across scope 3 and establishing a Net Zero Target, aligned with the latest scientific guidance.

Tietoevry is not excluded from the EU Paris aligned benchmarks. Tietoevry did not recognize any significant operational or capital expenditure in related to the transition plan in 2024.

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

In its double materiality assessment, Tietoevry identified energy, climate change mitigation and adaptation as material topics, representing actual negative impacts, risks and opportunities.

Energy was identified as an actual negative impact and a risk from both a physical and transitional perspective. When assessing climate-related hazards, Tietoevry has considered chronic and acute physical risks and analysed scenarios based on the INFORM Risk Assessment model. The INFORM Risk Assessment Model is a global tool that measures disaster and crisis risks by analysing hazards, vulnerabilities, and coping capacities to support evidence-based decision-making for risk reduction. Physical risks for Tietoevry include potential electricity blackouts or production disruptions due to extreme weather events, while transitional risks involve the rising costs of renewable energy, as demand might outpace supply over the next five years. Transition risks were assessed based on TCFD classification of climate-related transition events and through scenario analysis. TCFD is a framework that provides guidelines for organizations to disclose climate-related financial risks and opportunities, helping stakeholders make informed decisions. For Tietoevry, financial risks related to energy price volatility, regulatory changes and carbon pricing might pose a challenge for the climate transition. However, given the nature of Tietoevry's business, the company was assessed to have a low exposure to physical and transitional climate-related risks, and therefore the company's operations were deemed to be resilient against the short-, medium- and long-term impacts of climate change. Tietoevry takes short-term (0-2 years), medium-term (2-7 years) and long-term (7-30 years) financial and strategic time horizons into consideration while assessing climate-related risks and opportunities in TCFD reporting. When defining the time horizons, Tietoevry has considered aspects such as useful economic life time of its assets and the relatively long time horizon of climate change impacts and mitigation efforts.

Climate change adaptation was identified as a material opportunity for Tietoevry. This is because the company is well positioned to develop and expand products and services to support customers in this area, helping other industries adapt to climate change too.

Tietoevry has screened its activities in order to identify potential future GHG emission sources. Some of the emerging technologies that are explored in Tietoevry's strategy – such as Artificial Intelligence (AI) – are energy intensive and potentially pose a risk towards energy efficiency and potential increase of GHG emissions.

Impact, risk and opportunity management

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

The fundamental principles regarding climate change mitigation and adaptation are set forth in Tietoevry's Supplier Code of Conduct and its Code of Conduct. The company further defines its commitment and sets the foundation for its environmental and climate-related work in its publicly available Environmental Policy. The policy affirms Tietoevry's alignment with key global frameworks, including the United Nations (UN) Global Compact, UN Sustainable Development Goals, the ISO 14001 EMS and SBT, and provides a structured approach to implementing and monitoring environmental initiatives.

The Environmental Policy gives guidelines to manage material impacts, risks and opportunities related to climate change mitigation and adaptation. The main objectives of the Environmental Policy include ensuring compliance with applicable environmental laws and regulations, pollution prevention, promoting environmental awareness and contributing to the development of sustainable societies and businesses in collaboration with relevant stakeholders.

In order to achieve the set objectives, the policy introduces principles that address the topics of energy, climate change mitigation and adaptation. These principles include leadership commitment, enhanced process approach, protection of environment, active engagement and striving for continuous improvement. The policy also describes the principles that form the bases for the company's climate actions, use of renewable energy and energy efficiency, circularity and actions to increase its positive impact.

The Environmental Policy is reviewed annually and the review process includes stakeholder interest consideration through benchmarking, stakeholder interviews, and active dialogue with experts. The policy applies to all Tietoevry companies and employees globally, as well as to companies under Tietoevry's control. Policy content is made available to all Tietoevry employees through a mandatory e-learning module in Tietoevry Essentials. The responsibility of implementing the Environmental Policy lies with the Chief Sustainability Officer.

Actions

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

Tietoevry's main decarbonization levers include the use of renewable energy, energy and material efficiency, consolidation and optimization efforts, and engagement with suppliers. By using these levers, Tietoevry has achieved emission reductions over time and through this the company has contributed to climate change mitigation.

As one of the main actions during 2024, Tietoevry continued the data centre consolidation project in the Nordics that began in 2021. The implementation of modern technology and infrastructure is bringing benefits such as energy efficiency. Tietoevry sees opportunities in consolidating operations to a selected number of co-located data centres with excellent energy efficiency, a low-carbon footprint and circular economy practices. The location of data centres is also important in enabling the circularity of the energy produced. For example, in some locations technology allows the energy produced by the data centres to feed nearby district heating networks to warm households. The data centre consolidation project has proceeded according to plan and is expected to continue into 2026.

In order to further reduce GHG emissions, Tietoevry continued using renewable electricity in all of its data centers and most of its offices, and is committed to doing so also in 2025. During 2024, Tietoevry increased the use of renewable energy in its smaller offices in Europe, which was the main contributor of the GHG emission reductions in scope 2.

To improve energy efficiency in Tietoevry's offices globally, the company continued to optimize work spaces, conducted energy inspections, renewed electrical devices and shared energy-saving tips with its employees during 2024. Where possible, the company also encouraged adjustments to building automation systems, optimizing lighting in offices based on whether a space is being used or not. During 2024, Tietoevry's operations in Riga were moved to a new A-class energy efficient and BREEAM-certified office space. Tietoevry will continue its transition towards more energy-efficient offices also in 2025.

To ensure that Tietoevry's environmental objectives are met, all offices and data centres operate under the company's global EMS, which is ISO 14001 certified and annually externally audited. The Global Environment Team coordinates and supports the implementation and continual improvement of the EMS. This team comprises environmental managers from various operating countries and is led by the global EMS manager. The responsibility for implementing the principles outlined in the company's Environmental Policy, as well as related processes and actions, lies with the five specialized businesses.

Tietoevry's business travel emissions have been steadily increasing after the pandemic. The company sees a need to further enforce hybrid ways of working and to strengthen the implementation of Tietoevry's Travel Rule, which recommends choosing environmentally friendly options such as train travel over flying. In 2024, Tietoevry conducted a company-wide employee commuting survey to enhance awareness about commuting habits and improvement opportunities, as well as to support GHG emission calculations in scope 3.

In scope 3, the biggest share of Tietoevry's emissions come from Purchased goods and services and Capital goods related to the company's suppliers. Emissions in this area are mitigated by supplier compliance with the SBTs, alignment with Tietoevry's Supplier Code of Conduct as well as direct engagement with the biggest suppliers. Further actions in terms of responsible sourcing and material efficiency are described in E5-2.

Tietoevry sees climate change adaptation and resilience solutions as an area with potential business opportunities. By having expertise in cloud-based solutions and analytics capabilities, Tietoevry could work with its partners and customers to develop solutions for climate change adaptation and resilience.

Tietoevry is operating in a sector that is rapidly changing and having an impact on decarbonization action. In general, the technology sector uses a range of strategies to balance supply and demand, including cloud computing, AI and automation. The company's R&D investments are targeted towards these cutting-edge technologies, ensuring that Tietoevry remains agile, competitive and responsive to global market demands.

Tietoevry's action plan for the material IROs did not require any significant operational expenditure (Opex) or capital expenditure (Capex) for the financial year 2024. Tietoevry is unable to specify the achieved and expected GHG emission reductions per action. Tietoevry's ability to implement actions depend on the availability and allocation of resources, but due to the sensitivity of this strategic information, the company does not disclose the extent of the dependence,

Metrics and targets

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

Material topic	Type of IRO related to target	Target	Result 2024	Result 2023	Result 2022
Climate change mitigation, adaptation and energy	Actual negative, risk and opportunity	SBT: 90% absolute greenhouse gas emission reduction in scope 1 and 2 by 2026	87%	84%	70%
Climate change mitigation, adaptation and energy	Actual negative, risk and opportunity	SBT: 100% renewable electricity in own operations by 2026	99%	99%	95%
Climate change mitigation, adaptation and energy	Actual negative, risk and opportunity	SBT: Reduce business travel emissions 47% per FTE by 2030	73%	79%	83%
Climate change mitigation, adaptation and energy	Actual negative, risk and opportunity	SBT: 70% of suppliers having SBTs by 2026	46%	29%	27%
Climate change mitigation, energy	Actual negative, risk and opportunity	100% of employees completed the annual Environmental e-learning (new target FY2024)	97%	N/A	N/A

Tietoevry's methodology for target-setting has included scenario analysis and internal and external stakeholder engagement. Employees and management have provided their expertise through internal surveys and workshops to ensure that the targets are relevant and feasible in view of the Group's operations. The interests of external stakeholders have been captured through benchmarking, legislative reviews, and market assessment. All targets related to climate mitigation and adaptation are aligned with Tietoevry's Environmental Policy, which outlines the company's commitment to the integration of environmental performance into all of its operations.

Tietoevry has GHG reduction targets approved by the SBTi. All entities within the Tietoevry Group are included in scope 1 and 2 of the reduction targets. The targets support Tietoevry's material impacts and risks of renewable energy deployment and climate change mitigation through reduction of GHG emissions in own operations. Targets related to scope 1 and 2 include a combined 90% reduction target for absolute scope 1 and 2 GHG emissions from the baseline value of 10,042t in 2020, and an increase to 100% of annual sourcing of renewable electricity from the baseline value of 80% in 2020.

Tietoevry's carbon accounting system is monitored on an annual basis and/or in connection to significant changes to ensure that the full scope is covered. The scope is evaluated against the Group facility list and updated in the system if applicable. If any significant changes are implemented, e.g. in connection with the data centre consolidation programme, then the base year data is reviewed and evaluated. GHG footprint calculation-related emission factors are updated in the carbon footprint reporting system on an annual basis.

Two of the SBTs are connected to scope 3. These targets include a 47% reduction of GHG emissions from business travel with the baseline value of 928 kgCO2e/FTE, and an increase to 70% in the share of the company's suppliers, measured by emissions from Purchased goods and services, that have established SBTs. The baseline value for this target is 27% from 2022. In 2024, the supplier related SBT and scope 3 Purchased goods and services emissions reporting did not include Avega, Bekk, EVRY India, and the Infopulse units in Brazil, Bulgaria, Germany, Poland, and Ukraine. These entities were excluded as they are not fully integrated into Tietoevry's operations and follow different spend categorizations. The estimated impact of excluding these entities on the overall supplier SBT and emissions reporting accounts for less than 3% of total emissions. Tietoevry's business travel reduction target was established from 2019 data. At that time the business travel emissions covered 8% of scope 3. During the pandemic these emissions declined radically, covering 4% of Tietoevry's scope 3 emissions in 2024. Since 2022, Tietoevry's business travel emissions have been slowly increasing.

To raise awareness of the company's energy- and climate-related commitments, Tietoevry has also set a target that requires all employees to annually complete mandatory training on environmental sustainability. Climate change adaptation has also been identified as an opportunity, and the company's targets support efforts in this direction. All entities within the Tietoevry Group are included in the scope of the 100% annual completion target for environmental e-learning, with the exception of the subsidiary Bekk, which operates fully as a portfolio company.

Tietoevry achieved an 87% reduction in GHG emissions related to scope 1 and scope 2. This achievement is aligned with the company's ambitious environmental targets. The share of renewable electricity used across Tietoevry's offices and owned data centres remained consistently high at 99% throughout 2024. Business travel emissions recorded a 73% reduction of kgCO2e/FTE from the baseline, reflecting Tietoevry's continued efforts to minimize its travel-related environmental impact. However, the figure is lower than in the previous year, which indicates a slight increase in travel emissions. Progress was also evident in supplier engagement, as 46% of the suppliers had set SBTs by the end of 2024. This represents meaningful progress from the previous year, underscoring Tietoevry's commitment to driving sustainable practices throughout its value chain. On the environmental training side, Tietoevry achieved a high 97%completion rate in 2024, closely approaching the annual target of 100%.

Supported by the reduction and renewable electricity targets, Tietoevry is aiming to achieve net zero in its own operations by 2026. Tietoevry does not have absolute long-term GHG emission reduction targets in place, as the development of the company's full scope net zero target is ongoing. In 2024, Tietoevry committed to establishing a net zero target across the value chain.

Measurements of the targets has not been validated by any external body except for the assurance providers and no milestones or interim targets have been set. Tietoevry was unable to quantify the expected decarbonisation levers' contribution to achieve the GHG emission reduction targets.

Energy consumption and mix (E1-5)

Energy consumption and mix	2024
Fuel consumption from crude oil and petroleum products (MWh)	608
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	8 076
Total fossil energy consumption (MWh)	**8 684**
Share of fossil sources in total energy consumption (%)	10 %
Consumption from nuclear sources (MWh)	**10 930**
Share of consumption from nuclear sources in total energy consumption (%)	13 %
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	2
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	63 930
Total renewable energy consumption (MWh)	**63 932**
Share of renewable sources in total energy consumption (%)	77 %
Total energy consumption (MWh)	**83 546**

Energy consumption in own operations (scope 1 and 2) has decreased from the previous year by 16% to 83 546 MWh (99 932 MWh). The main reason is the company's data centre consolidation programme and transfer to modern technology co-location facilities.

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

Gross scopes 1, 2, 3 and Total GHG emission		Retrospective			Milestones and target years
	Base year 2020	2024	2023	Change, %	2026
Scope 1 GHG emissions					
Gross scope 1 GHG emissions (tCO_2eq)	143	158	195	-19	14
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0	0	0		
Scope 2 GHG emissions					
Gross location-based scope 2 GHG emissions (tCO_2eq)	12 372	6 937	7 877	-12	
Gross market-based Scope 2 GHG emissions (tCO_2eq)	9 899	1 157	1 406	-18	990
Significant scope 3 GHG emissions					
Total gross indirect (scope 3) GHG emissions (tCO_2eq)		163 204	205 417	-21	
Purchased goods and services		134 696	189 227	-29	
Capital goods[1]		9 235	0	100	
Fuel and energy-related activities (not included in scope 1 or scope 2)		3 005	3 131	-4	
Waste generated in operations		64	97	-34	
Business travelling		5 852	4 639	26	
Employee commuting		6 148	4 380	40	
Upstream leased assets		397	59	> 100	
Use of sold products		3 807	3 884	-2	
Total GHG emissions					
Total GHG emissions (location-based) (tCO_2eq)		170 299	213 489	-20	
Total GHG emissions (market-based) (tCO_2eq)		164 519	207 018	-21	

[1] Comparative value of Capital goods is included in Purchased goods and services.

GHG intensity per net revenue	2024	2023	Change, %
Total GHG emissions (location-based) per net revenue (tCO_2e/MEUR)	61	75	-19
Total GHG emissions (market-based) per net revenue (tCO_2e/MEUR)	59	73	-19

Net revenue used in GHG intensity calculation is based on the Group's revenue in the consolidated income statement.

Tietoevry used the GHG Protocol Standard when accounting for emissions in 2024. Tietoevry's scope 1 and 2 reporting boundary covers all Tietoevry companies and subsidiaries. Emissions are reported as CO_2 equivalents (CO_2e). The electricity emission factors are based on national gross electricity production mixes (annual statistics) from the International Energy Agency's statistics (IEA stat 2024). Emission factors per fuel type are based on assumptions in the IEA methodological framework. Factors for district heating/cooling are either based on actual (local) production mixes, or average IEA statistics. The scope 2 market-based calculations are determined by the purchased Guarantees of Origin (GoO)/Renewable Energy Certificates (REC). When acquiring GoOs or RECs, the supplier certifies that the electricity is produced exclusively by renewable sources with an emission factor of 0 grams CO_2e per kWh. However, for electricity without certificates, the emission factor is based on the remaining electricity production after all GoOs and RECs for renewable energy are sold. During 2024 Tietoevry purchased bundled (45%) and unbundled (29%) Energy Attribute Certificates (EACs), in the form of GoOs and RECs which in total covered 73% of scope 2.

The emission factors used for European residual mixes are provided by the Association of Issuing Bodies (AIB) 2024 and European Residual Mixes 2024. Country-specific IEA emission factors are used for non-EU countries. Purchased renewable district-heating and cooling products are counted as zero emissions, according to the scope 2 market-based method. The base year for the scope 1 and 2 GHG calculations is 2020. The base year for scope 3 business travel GHG calculations is 2019. In the report, the metric ton/UK tonne equivalent to 1,000 kilograms is stated solely as a ton.

Material scope 3 categories and their methodology are presented below. The categories deemed as non-material for Tietoevry are Processing of sold products, Downstream leased assets, Franchises and Investments. The remaining categories are incorporated into a presented category, such as Upstream transportation and distribution being included within the Purchased goods and services category as is Downstream transportation. There are no significant changes in the definition of the Tietoevry Group and its value chain in regards of GHG emission reporting.

- Purchased goods and services and Capital goods: Tietoevry's company-wide spend data has been used to identify purchase categories and GHG emissions. Emission factors used in calculations come from the Environmental Protection Agency (EPA) 2020, and are based on an input-output model that links monetary accounts with the GHG emissions of different sectors of the economy. The emission factors cover all GHG and are expressed in CO_2 equivalents. The Global Warming Potential (GWP) of factors used is 100 years GWP and comes from the sixth assessment report of the Intergovernmental Panel on Climate Change (IPCC). These categories do not cover Avega, Bekk, EVRY India, and the Infopulse units in Brazil, Bulgaria, Germany, Poland, and Ukraine. Tietoevry reports Purchased goods and services and Capital goods as separate categories in 2024. Earlier, both categories were reported as a combined figure in the Purchased goods and services category. The expenditure data used for calculating emissions in these categories is not directly comparable with financial reporting data.

- Fuel- and energy-related activities: To calculate fuel and energy-related activity data in accordance with the GHG Protocol, both scope 1 (direct) and scope 2 (indirect) emissions are considered. Scope 1 emissions are calculated by gathering fuel consumption data from company-owned sources and applying appropriate emission factors. Scope 2 emissions are derived from the consumption of purchased electricity, steam, heating, and cooling, using either location-based or market-based emission factors. Additionally, fuel- and energy-related emissions under scope 3 (category 3) are calculated by accounting for upstream activities, including the extraction, production, and transportation of fuels, as well as transmission and distribution losses. Emission factors for these upstream activities are sourced from the Internation Energy Agency (IEA) 2024 database, and the total emissions are determined by multiplying the relevant activity data from scope 1 and scope 2 by the corresponding emission factors.

- Waste generated in operations: The activity data is provided by the waste management supplier or property manager. Waste type-specific and waste treatment-specific emission factors have been used in the calculations. Recycled waste fractions include only a small transport component (collection of waste). The source for the emission factors is DEFRA, 2024. This category does not cover Avega and the Infopulse units in Brazil, Bulgaria, Germany and Poland.

- Business travel: The emission factors represent $kgCO_2e$ emitted per kilometre or passenger kilometre for each mode of transport. Emissions from business travel by air are reported by Tietoevry's travel agency. Mileage allowance (car) is calculated using the emission factor for mileage allowance, reference DEFRA 2024. This category does not cover Avega and Bekk.

- Employee commuting: Emissions related to commuting are based on actual commuting to work as well as working from home. Emissions for home office work are calculated based on the number of full-time employees, working hours per day and days at the home office. This total is then multiplied by an estimation of the average watts for lighting (10W) and electricity (140W) required for working from home. After this, the result is divided by 1,000 and the result will be the total amount of kWh for the home office. The kWh is converted into tCO_2e by using country-specific emission factors. The source of emission factors used in the calculation is the International Energy Agency (IEA) 2024 for homeworking, and

DEFRA 2024 or local factors for mode of transport. The emissions are from a lifecycle emission perspective, and the Global Warming Potential (GWP) of factors used is 100 years GWP. It comes from the IPCC's sixth (IEA factors) and sixth (DEFRA factors) assessment reports.

- Upstream leased assets: Scope 1 and scope 2 emissions according to market-based method from outsourced data centres. The emission factors used in the calculation come from DEFRA 2024 for scope 1, and AIB 2024 and European Residual Mixes 2024 for scope 2. The emissions are from a lifecycle emission perspective and the Global Warming Potential (GWP) of factors used is 100 years GWP. It comes from the IPCC's sixth (IEA factors) and sixth (DEFRA factors) assessment report.

- Use of sold products: The energy consumption of sold products is calculated using activity data from product sales across various countries. Products are grouped into broader categories. For each category, the estimated product lifetime and average annual energy consumption in kilowatt-hours (kWh) are determined. Data from multiple reliable sources is used to estimate the average wattage per hour, daily operating time, and product lifespan. The average daily energy usage is calculated by multiplying the wattage by the estimated daily operating time. This daily usage is then multiplied by the number of operational days per year to derive the annual average kWh. The total energy consumption is calculated by multiplying the annual average kWh by the estimated product lifespan (in years) and the number of units sold. This method provides a comprehensive estimate of the energy impact of the sold products over their lifetime.

The share of emissions in the value chain calculated using primary data obtained from suppliers or other value chain partners is less than 5% whilst the remaining share is estimation-based.

The Purchased goods and services category earlier used Defra's 2014 spend-based emission factors. In 2024, the more recent EPA 2020 emission factors were used. This change has an impact on the reported result, due to differences in categorization and lower factors. Improving scope 3 supplier emission data is an ongoing process, with the aim of achieving more accurate data for reporting.

Tietoevry conducted a global employee commuting survey in September 2024. The result of the survey is used as source data for the scope 3 category Employee commuting related GHG emission calculations. The survey was conducted by an external service provider.

Tietoevry Tech Services has carried out data centre consolidation during the past years. As a result of this development, some data centres were closed in 2024 and transferred into co-location facilities with better energy efficiency and modern technology. Transferring to cloud solutions has also continued in 2024, with an impact on energy consumption.

GHG removals and mitigation projects financed through carbon credits (E1-7)

Financing GHG emission reduction projects through purchasing high-quality carbon credits is a recognized method of contributing to climate change mitigation. High-quality carbon credits are essential, as they ensure that the projects funded are genuinely effective in reducing or removing GHG emissions. Quality carbon credits have considered topics like additionality, durability, leakage, external verification of the methodology and calculations, and evaluation of the impacts on other sustainability areas.

Tietoevry cancelled carbon credits which corresponds to 1 280 metric tonnes of CO2eq for voluntary offsets of its own GHG emissions related to operations in Norway. 100% of these carbon reduction credits were purchased from two Gold Standard programme projects in India. Gold Standard programmes qualify as a corresponding adjustment under Article 6 of the Paris Agreement. The main purpose of the projects' activity is to generate electricity through sustainable means using solar power and wind power resources. The generated renewable electricity will contribute to climate change mitigation efforts.

All credits are issued by default after the annual monitoring and verification process, and 10% of all credits are pooled into a buffer account. If any reversals occur in the projects, the carbon losses are covered through the cancellation of an equivalent number of buffer credits from the buffer pool. The carbon credits have been issued in accordance with the relevant standard's protocols and are tracked in the registry to prevent double counting or double selling. The serial number of the credits cancelled is available. No adjustments have been issued for these carbon credits. The carbon credit projects that Tietoevry invests in include:

- Renewable energy projects (wind power generation) with distribution within the Indian power grid
- Renewable energy (solar power generation) projects within selected Indian states

Tietoevry is aiming to reach net zero in scope 1 and 2 by 2026. In connection to this commitment, the plan is to remove the residual GHG emissions, less than 10%, with high quality carbon removal. In 2024 no removal project credits were purchased.

Internal carbon pricing (E1-8)

Tietoevry does not have internal carbon pricing.

E5 - Resource use and circular economy

Impact, risk and opportunity management

Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities (ESRS 2 IRO-1)

Tietoevry has identified financial opportunities including offering circular services that help businesses transition to a circular economy model, providing consulting services for circular IT practices and assisting in redesigning and optimizing IT infrastructure for resource efficiency. Additional opportunities include developing software solutions that support circularity in various industries (resource management systems, tools for tracking and optimizing the lifecycle of products), supporting customers with IT equipment refurbishment and resale programmes, for example through recycling as a service.

Circular economy opportunities rely on several dependencies linked to policy and regulation, supply chain relationships and collaboration, technology and innovation, and infrastructure development. There are also barriers to circular economy: namely market, financial, technical, and regulatory challenges.

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

Tietoevry's Environmental Policy outlines the company's commitment to minimizing its environmental footprint, including aligning its operations with circular economy practices. The aim is to save natural resources and reduce environmental impacts related to energy and material usage. The Environmental Policy is further introduced in E1-2.

One of the main principles in the Environmental Policy is protection of the environment through generative and circular economy. The policy outlines the Group's aim to enhance circular economy principles by acting according to the European Union waste hierarchy where the highest priority is to avoid and reduce waste. Tietoevry commits to conserving natural resources through sustainable and mindful use of resources, reusing, recycling and keeping materials in use at their highest value as long as applicable. For the ICT sector, managing waste from electrical and electronic equipment (WEEE) is a material focus point. Following the principles set out in the policy is done in compliance with relevant laws and regulations, best practices, and principles of environmental stewardship, human rights, and the circular economy.

In the Environmental policy, Tietoevry commits to consider environmental aspects and footprint from life-cycle perspective when making decisions such as choosing facility locations, energy providers, IT assets and other products and services. Furthermore, in the Supplier Code of Conduct, Tietoevry specifies its expectation for suppliers to apply the principles of circular economy including whole life costing and life cycle perspective in design, manufacture, transport, recycling and disposal. As Tietoevry is not a manufacturer, the Policy does not explicitly mandate on the use of virgin resources.

A key principle in Tietoevry's Environmental Policy is to enhance its positive impact. This principle guides the company in leveraging the opportunity that resource use and circular economy presents for Tietoevry. Tietoevry commits to the positive impact by evaluating environmental handprint measures related to the products and services Tietoevry provides to its customers and seeing technology as an enabler and accelerator in the journey towards a more sustainable and circular society.

Actions

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

Key actions related to circular economy are connected in various ways in upstream, downstream, and own operations.

The technology sector is very dependent on devices in which rare minerals are an important component. Tietoevry therefore has a clear responsibility, both in terms of not wasting any natural resources and making sure end-of-life handling is done in the most responsible way possible. The company has committed to minimizing the negative environmental and social impacts of device production and logistics.

Tietoevry's key actions to enhance circular economy practices are connected to responsible and efficient sourcing processes, i.e. making purchasing decisions that maximize value and minimize waste. Reusing and recycling hardware in a structured manner is an important step towards enabling circular economy practices, both for Tietoevry and its customers.

Responsible sourcing processes and engagement activities cover Tietoevry's global operations, including the upstream and downstream value chain. Tietoevry is responsible for hardware consisting of various types of computers and mobile devices that are provided to approximately 23 000 employees as personal IT equipment. The company's Customer Operations team also supports the customers' end-users with devices such as laptops and smartphones, the volume of which is much larger than Tietoevry's own. Tietoevry's sourcing function purchases hardware for its employees as well as for its customers. The function is in charge of ensuring that customers' and Tietoevry's own environmental requirements are met. This includes TCO certification – an independent sustainability certification for IT products – or Energy Star certification for hardware devices. TCO certification covers both social and environmental impacts during the entire lifecycle. All Tietoevry's hardware suppliers and service providers are required to have relevant environmental certifications in place, such as ISO 14001 or the equivalent. Tietoevry engages regularly with hardware suppliers to understand their sustainability aspects, also taking into account the conditions of their workforce.

To better understand the needs and usage patterns of Tietoevry employees, the company collects information about the devices – including purchase date, purchase price, and technical specifications – and combines this with HR data. For the devices that customers source from Tietoevry, information is collected and made available to customers by utilizing the Lifecycle Management (LCM) framework. This helps Tietoevry to direct and recommend suitable devices for people making purchases, by taking into consideration the role of the device and limiting energy consumption, material usage, and GHG emissions.

During 2024, Tietoevry's five specialized end-to-end business units increased their focus on and ownership of the company's circular economy work. This is a result of continuous awareness-raising efforts across the company. In 2024, Tietoevry implemented a process to increase the secondary laptop return rate, which resulted in more devices being returned during the year. Tietoevry has collaborated with its waste recovery partners to improve processes and reporting. By ensuring a second or third life for a laptop or a server, and by ensuring that end-of-life treatment is handled by certified suppliers, Tietoevry has improved reuse and recycling over the past years. However, for countries outside of Europe, hardware is not always processed in a circular manner and insights into the hardware downstream lifecycle may not be available. Tietoevry has plans to increase the scope to ensure proper lifecycle management of hardware outside of the Europe in the coming years.

To ensure sound electronic waste management practices, Tietoevry has collaborated with material recovery partners. The aim is to ensure visibility into material reuse and end-of-life treatment processing and outcomes for devices that cannot feasibly be reused. Tietoevry relies on recovery partners' procedures for proper treatment to maximize hardware reuse.

To further support these actions, Tietoevry actively promotes supplier engagement, awareness and communication activities, EMS implementation, and continuous improvement and overall development of reporting. Circular economy actions are embedded into different areas such as the company's EMS annual plan, its sourcing processes and communication plan, and other relevant processes.

Tietoevry's action plans for the material IROs did not require any significant operational expenditure (Opex) or capital expenditure (Capex) for the financial year 2024.

Metrics and Targets

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

Tietoevry has not yet established targets related to circular economy as a financial opportunity. However, the company plans to explore the topic further and aims to define appropriate targets in 2025.

Tietoevry tracks the effectiveness of its objectives and principles set out in the Environmental Policy through internal processes and reporting. Since 2021, Tietoevry has monitored the metric of reuse and recycling of hardware for internal operations and customer deliveries, with the aim of reaching a 100% share for both. Internal hardware includes Tietoevry's own employees' personal IT devices, e.g. laptops and phones. External hardware includes devices delivered to Tietoevry's customers.

Social

S1 - Own workforce

Strategy

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

Tietoevry's double materiality assessments cover all employees, regardless of their role, location, or employment type (including full-time, part-time, and temporary workers) as well as non-employees in the workforce including self-employed people and people provided by third-party undertakings primarily engaged in employment activities. The company recognizes that employees and non-employees across various levels and functions can be impacted by corporate decisions, whether related to working conditions, health and safety, or organizational changes.

Tietoevry evaluates the impacts on specific workforce segments that may face higher risks or challenges – such as employees in technical roles, remote workers, those in high-stress environments, and underrepresented groups like women and minorities – through regular monitoring, surveys, and engagement with workforce representatives. Tietoevry's risk assessment, which is integrated into its human rights due diligence process, considers factors like gender, age, job role, and location.

The risk analysis recognizes that employees and non-employees in different regions face varied risks due to local labour laws and societal norms. Tietoevry aims to ensure compliance and address region-specific risks. Through regular data collection, employee feedback, and collaboration with external experts, the company proactively addresses emerging risks and protects the well-being of all employees.

No material impacts on Tietoevry's own workforce related to the implementation of climate transition plans or plans and actions to reduce carbon emissions were identified during the double materiality assessment.

Material negative impacts

A material negative impact related to diversity was identified as being mainly centred around gender equality. In addition, equal pay for equal work was also identified as a material negative impact, specifically related to female employees. Women are underrepresented in leadership and technical positions, which may infringe upon individuals' rights to equal treatment and opportunities, while also representing a broader industry challenge. Furthermore, minority groups (such as people with disabilities, individuals from lower socioeconomic backgrounds, and members of the LGBTQ+ community) may experience limited representation and lack of diversity in leadership. Other concerns include discrimination, implicit bias, unfair hiring practices, and non-inclusive workplaces.

The majority of Tietoevry's operations are in areas where the risks of violations to freedom of association and collective bargaining are low. However, some of the company's operations are located in areas with higher risks of violations or no guarantee of rights (37% of total operations). In countries such as China, Ukraine, Poland, India and Serbia, employees' rights to freedom of association, collective bargaining, and social dialogue may be compromised. In these countries, the company strives to facilitate local forums where topics can be addressed. For employees not covered by collective agreements, the company determines employees' working conditions and terms of employment based on collective agreements that cover other employees in the organization.

Material positive impacts

Tietoevry's initiatives such as remote working opportunities, employee learning, and a focus on employee development, including reskilling and upskilling, result in material positive impacts related to working time, work-life balance, and secure employment for employees and non-employees in the workforce. The positive impacts are consistent across various regions where Tietoevry operates, demonstrating the company's commitment to fostering a supportive and growth-oriented work environment. This holds true even amidst rapid changes in the labour market, including the transformative effects of technological advancements.

Material risks

Tietoevry's material risks related to gender equality and equal pay for work of equal value are closely tied to any negative impacts on diversity and gender equality. Gender inequality can increase talent attraction and retention costs, reducing productivity, and negatively affect reputation which can impact business and investment opportunities.

Material opportunities

Material opportunities related to working conditions – specifically working time, work-life balance, and secure employment – are tied to the positive impact the company has in these areas. By continuously striving for a supportive work environment, Tietoevry can reduce costs through higher employee retention and decreased recruitment needs, while contributing to growth.

Operations at significant risk of incidents of forced labour or compulsory labour

The high-skilled nature of Tietoevry's workforce, the type of work performed, and the locations of its operations contribute to a low risk of forced or compulsory labour within the company's own operations. However, the company has operations in a country classified as a high-risk country for modern slavery according to the Global Slavery Index, namely Ukraine. The Global Slavery Index does not account for industry differences, which limits the accuracy of the assessment's results.

Operations at significant risk of incidents of child labour

Tietoevry operates in the IT and digital services sector, which generally has a low risk of child labour. No operations have been identified to be at significant risk of incidents of child labour.

Impacts, risks and opportunities management

Policies related to own workforce (S1-1)

Tietoevry is dedicated to respecting and supporting internationally recognized human rights for all individuals impacted by its business operations across the regions in which it operates. This commitment is visible in key policies, including the Human Rights Policy, the Code of Conduct, as well as the Health and Safety Policy.

The Human Rights Policy is aligned with the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the United Nations Global Compact (to which Tietoevry is a signatory). The policy outlines the company's approach to safeguarding the human rights of all individuals affected by its business operations and partnerships, both in its own operations and throughout its value chain. Key components of the policy include accountability for human rights across the value chain, regular human rights due diligence, performance tracking, communication of the company's progress, and robust mechanisms for grievance and remediation.These together are considered appropriate mechanisms and processes to monitor compliance with the international standards and norms mentioned above.

The Group Executive Management team is accountable for the successful implementation of the policy, which is formally approved by Tietoevry's CEO. The policy is communicated both internally and externally, ensuring that all employees and external partners are aware of the commitments. Tietoevry provides internal training materials and conducts interactive information sessions to keep employees informed about the company's human rights due diligence progress. Performance against the policy commitments is regularly reviewed and reported as part of Tietoevry's corporate governance practices.

Tietoevry's Code of Conduct (the Code) outlines the company's ethical commitments regarding its workforce and operations. The Code, aligned with the UN Guiding Principles on Business and Human Rights, OECD Guidelines, and UN Global Compact, reinforces the company's ethical commitments on topics such as freedom of association, health and safety, and fair employment. It ensures compliance with laws on working hours, promotes work-life balance, and enforces a strong non-discrimination policy, prohibiting discrimination on gender, identity, nationality, religion, race, age, disability, marital status, sexual orientation, political views, or union membership. In addition, the Code outlines the company's commitment to create an inclusive workplace where differences are welcomed and respected, and where employees are given equal opportunities to grow. The Code prioritizes health and safety, aiming to prevent workplace hazards, accidents, and occupational diseases, and mandates zero tolerance for bullying, harassment, or violence. It also strictly prohibits forced, compulsory, and child labour, including trafficking of human beings. The Code applies across all employment aspects and in relationships with suppliers, customers, and partners. It is applicable to all employees, Board members, subcontractors, and representatives globally.

The company is committed to respecting human rights – including preventing, mitigating, and addressing discrimination, as outlined in its Human Rights Policy and Code of Conduct. This commitment is implemented through ongoing human rights due diligence, encompassing the identification, assessment, investigation, prevention, mitigation, and remediation of actual or potential adverse human rights impacts.

Management plays an active role in risk prevention and mitigation, while discrimination is addressed by promoting clear company values and raising employee awareness about discrimination, diversity, and inclusion. Concrete activities include mandatory training in the company's Code of Conduct, which includes modules on non-discrimination, as well as mandatory training in diversity, equity and inclusion for all people managers.

To support these efforts, mechanisms for grievance and remediation are in place to handle cases of harassment and discrimination, and to foster an inclusive workplace. A whistleblowing channel allowing for anonymous reporting provides a safe platform for submitting information on breaches of law or internal policies and rules. Reports are logged and independently followed-up by the Whistleblowing Unit, ensuring confidentiality and protecting whistleblowers against retaliation. Reports of a severe or sensitive character are reviewed and followed-up by the Escalation Committee, which consists of the Head of Corporate Governance and Compliance, Head of Group Legal & Compliance, Head of Internal Audit, Head of HR and Group Compliance Officer.

Based on benchmarking, stakeholder consultation, and union engagement, the Code is revised annually to align with best practices and stakeholder expectations. All employees agree to the Code upon joining the company and complete an annual e-learning course. Tietoevry's HR and Group Compliance teams support adherence to these ethical standards. The Code is approved by the CEO and the Chief Financial Officer is responsible for the implementation of the Code.

Tietoevry's commitment to employee well-being is further reflected in its Health and Safety Policy, which focuses on promoting both physical and mental health by maintaining a safe and healthy work environment. The policy includes measures to identify and minimize workplace hazards, provide employees with the necessary training, and ensure emergency preparedness. It also emphasizes compliance with relevant health and safety laws, regulations, and standards.

All incidents, risks, and compliance issues related to health and safety are reported through the company's risk management system. The Head of Human Resources (HR) is responsible for implementing the policy, and employees are encouraged to actively contribute to maintaining a safe workplace by reporting hazards and incidents. The policy is approved by the Head of HR and oversight of the Code's implementation lies with the Head of Workplace Innovation & Facilities.

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

Tietoevry engages both directly with its own workforce and through workers' representatives such as unions, employee representation committees, and work councils both locally and internationally (through the European Works Council). Direct engagement with its own workforce takes place through regular reviews of feedback collected via employee surveys, performance evaluations – including development planning – as well as other engagement mechanisms. Employee surveys are conducted several times a year to ensure a continuous dialogue within the company. Quantitative results are shared and open for all employees, and systematic dialogues are driven in the company. The outcomes of these engagements are analyzed to measure employee satisfaction, work-life balance, and overall well-being. Adjustments to policies and programmes are made based on these insights. Additionally, the company regularly assesses the impact of agreements with workers' representatives to ensure that the evolving needs and perspectives of its workforce are addressed.

Tietoevry maintains agreements with workers' representatives that uphold the respect for the human rights of its workforce, as stipulated in the Code of Conduct. These agreements facilitate regular communication and discussions on human rights and labour rights, including working conditions and collective bargaining. By ensuring that employee representatives can perform their functions unhindered and without fear of retaliation, Tietoevry gains valuable insights into employee perspectives and is able to contribute to a supportive and inclusive work environment. The company does not have a Global Framework Agreement in place.

The company holds regular local meetings with unions, in addition to specific meetings based on formal negotiation meetings set by local laws. Regular monthly meetings with the European Works Council (EWC) are conducted, including two in-person meetings per year. The responsibility for ensuring effective engagement lies with Human Resources (HR). The Head of HR, representing the most senior role accountable, oversees the execution of engagement initiatives and ensures that the insights gained inform Tietoevry's strategy process and decision-making.

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

Tietoevry is committed to ensuring effective grievance and remediation mechanisms, as outlined in its Human Rights Policy and its Code of Conduct. The company maintains open, transparent communication channels where internal and external stakeholders can raise concerns without fear of retaliation. Employees and other stakeholders can report breaches of the Code of Conduct, internal policies, or laws to their managers, HR partners or directly to the Group Compliance Unit. Additionally, such concerns can be reported through Tietoevry's third-party-operated whistleblowing channel, which allows for anonymous submissions. More information about Tietoevry's whistleblowing process is available in G1 - Business Conduct.

Tietoevry is dedicated to the well-being of its workforce, comprising both employees and other workers. If the company identifies that any action or actions have caused or contributed to a material negative impact on its workforce, immediate and appropriate steps are taken to remediate the situation.

The company's approach to remediation is outlined in the Human Resources Policy and Human Rights Policy, and in more detail in local employee handbooks specific to each country of operation, ensuring that the remediation measures, including disciplinary practices, are both equitable and tailored to local regulations.

Actions

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)

Tietoevry's approach to addressing the material impacts on its workforce, managing key risks, and pursuing significant opportunities is grounded in its sustainability due diligence framework. This framework includes processes to identify, mitigate, and remediate both actual and potential negative impacts on employees. Due diligence is an ongoing effort, ensuring that workforce-related challenges are effectively addressed in a timely manner.

The framework is reinforced by regular management training programmes that enhance awareness and equip leaders with the skills needed to navigate workforce challenges. Furthermore, policies are continuously refined to reflect emerging needs and align with industry best practices.

During the year, Tietoevry has carried out several activities related to its material impacts, risks and opportunities. The scope of the key actions includes all countries and geographical areas where Tietoevry operates.

Regarding the negative impact related to freedom of association, collective bargaining, and social dialogue, the company has conducted several activities during the year. For example, the company incorporated a question about freedom of opinion in the anonymous employee survey. This provides regular insights into employee perceptions about their freedom to express opinions and have union representation. The company has continued to promote its Code of Conduct values, which emphasize support for freedom of association and the right to collective bargaining. Future actions will involve facilitation of employee representation committees or work councils, ongoing support for regular engagement with employee representatives, and continuous promotion of the Code of Conduct values. However, in countries where collective bargaining is not legally recognized or practised, the company aims to establish alternative forms of employee representation and dialogue. The expected outcomes include stronger employee representation, improved communication channels between employees and management, and enhanced trust and cooperation within the workplace.

While Tietoevry has taken steps to promote gender equality in recent years, progress has been slower than anticipated. Addressing challenges such as the under-representation of women remains a priority, and the company is committed to accelerating efforts in this area as part of its sustainability strategy. Tietoevry will maintain a strong emphasis on diversity in leadership roles, collaborating with business areas to measure progress against established targets.

Key actions related to gender equality and equal pay for equal work during 2024 included the development of a new Human Resource Policy, further underlining the company's commitments to gender equality. The company has developed a new mandatory training on diversity, equity, and inclusion (DEI) for managers, re-established the Women@Tietoevry employee resource group (ERG) in Sweden and Norway, and launched external campaigns to attract female tech talent. Additionally, cooperation with female tech networks in the Nordics, including Women in Tech Stockholm, Helsinki, and ODA Nettverk in Norway, has been strengthened. Additionally, in 2024, Tietoevry conducted a global pay gap analysis to identify and address disparities, with specific efforts focused on the gender pay gap. This included adjustments of flagged salaries during the annual salary review process. The analysis also helped to refine job structures and improve data quality for future evaluations. Furthermore, new targets related to gender equality, equal pay and diversity were also developed and implemented to improve tracking of the company's performance. The company's Code of Conduct e-learning, which includes modules about DEI, continued to be a mandatory training for all employees during the year.

Tietoevry remains committed to its aspiration to reach a gender split of 49/49 within the overall workforce over time. In 2024, the aspiration was reformulated with the purpose of also including those who identify outside of the binary, and to create a workforce that reflects the diversity of the communities it serves.

Long-term activities related to gender equality and diversity that were initiated before 2024 also continued during the report year. These included diversity-focused recruitment, improved internal reporting on gender balance figures, and diversity succession planning. Also, long-term incentive plans – including the target of increasing the share of female recruits – continued to be part of the company's agenda.

During 2025, Tietoevry will continue policy development and reviews in relation to DEI. Additional training for all employees and managers will be developed to increase awareness around diversity and inclusion. Gender pay gap analysis will be a standard part of annual assessments going forward and additional ERGs will be established. Activities carried out and planned related to gender equality and equal pay for equal work as well as workforce diversity are expected to positively impact these topics, while also mitigating risks related to gender equality.

In 2024, Tietoevry continued to promote a healthy work-life balance including reasonable working time through arrangements such as remote work options and adjustable working hours. The company monitors overtime on a quarterly basis and in 2024 set itself the target of keeping overtime below 3% of normal average working hours. Tietoevry strives to ensure that its time reporting system complies with local labour laws, particularly in countries that have defined legal overtime limits. In locations with active union participation or work councils, overtime reporting is done in collaboration with these bodies to provide collective oversight and support.

Tietoevry's company-wide employee survey – conducted once in 2024 – featured workload as a key category, providing valuable insights into employee experiences and perceptions related to work demands. Additionally, employee surveys for specific functions and business areas were carried out four times during the year. Work-life balance was also regularly evaluated through ongoing manager-employee check-ins, allowing for direct support of employee well-being. These insights enable the company to further improve its efforts in terms of working time and work-life balance by enabling data-driven decisions.

Activities going forward will continue to include a hybrid work setup, adjustable working hours and ongoing dialogues between employees and managers, with the aim of promoting a healthy work-life balance.

Secure employment is supported by Tietoevry's professional development framework, which emphasizes regular development dialogues and check-ins to ensure employees receive continuous support from their managers. The employee survey includes elements that evaluate the company's goal-setting and professional growth, providing insights for continuous improvement. During 2024, there was an increased focus on development dialogues as a means to support employees in having relevant skills in a fast-paced changing industry. Future actions include communication plans with managers, training, and enhanced monitoring to ensure Tietoevry continues to have a positive impact on secure employment.

The actions focused on work-life balance, working hours, and secure employment are anticipated to sustain Tietoevry's positive impact in these areas while fostering further improvements. Expected outcomes include healthier work-life balance for employees, increased engagement, reduced burnout, and enhanced overall well-being. These positive effects are also expected to create financial opportunities by enhancing the company's attractiveness as an employer, improving employee retention, increasing productivity and lowering recruitment-related costs.

Tietoevry strives to ensure its practices do not cause or contribute to material negative impacts by aligning business operations with its Code of Conduct and Human Rights Policy. The company conducts regular audits and risk assessments of its procurement, sales, and data use policies to ensure alignment with its values. Tietoevry actively engages with stakeholders, including employees and suppliers, to gather feedback and address concerns. In instances where tensions arise between business pressures and the prevention of negative impacts, clear management policies guide decision-making, supported by continuous feedback and learning mechanisms. This approach enables Tietoevry to adapt and respond effectively to any potential issues.

The resources dedicated to managing material IROs related to the workforce include specialized teams with expertise in these areas. These teams play a key role in developing action plans, supporting the implementation of initiatives, and providing guidance to help ensure compliance with relevant policies and standards, recognizing that compliance is a shared responsibility across the organization.

In addition to human resources, Tietoevry invests in robust platforms to support employee training, facilitate meaningful development discussions, and conduct regular employee surveys. These tools not only help raise awareness and enhance skills but also provide critical insights into employee needs and organizational performance. Furthermore, resources are directed towards fostering a culture of inclusivity and collaboration, with mechanisms in place to promote continuous feedback and engagement.

Tietoevry's action plans for the material IROs did not involve significant operational (Opex) or capital (Capex) expenditures during the 2024 financial year. Additionally, no future financial resources (Opex or Capex) have been allocated to future action plans at this time.

Metrics and targets

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

Material topic	Type of IRO related to target	Target	Result 2024
Diversity, gender equality and equal pay for work of equal value	Actual negative impact and risk	33% of underrepresented gender in all board positions by 2026 (new target FY2024)	30%
Diversity, gender equality and equal pay for work of equal value	Actual negative impact and risk	30% of underrepresented gender in leadership positions by 2030 (new target FY2024)*	25%
Diversity, gender equality and equal pay for work of equal value	Actual negative impact and risk	37% recruitment of female recruits by 2025	34%
Diversity, gender equality and equal pay for work of equal value	Actual negative impact and risk	Ensure the unexplained gender pay gap remains below 5% threshold and is further reduced towards 2026 (new target FY2024)	3%
Diversity, gender equality and equal pay for work of equal value	Actual negative impact and risk	100% people managers trained in DEI on an annual basis (new target FY2024)	86%
Working time and work-life balance	Actual positive impact	Ensure work-life balance by keeping overtime at low level – not exceeding 3% of normal average working time (new target FY2024)	1%
Secure employment	Actual positive impact	Annual My Growth completion rate of 90% for all employees – covering work and development goals (new target FY2024)	81%

*Definition of leadership positions is senior managers: Job grade 15 and higher + CEO

Tietoevry's target-setting methodology combines benchmarking, legislative review, and employee needs assessment, using data from internal surveys, compliance reports, international standards, and input from employee committees. Employees and management have provided essential feedback through consultations, ensuring that goals are practical and relevant. Final targets received approval from Group Executive Management. During target setting, past sustainability performance was also reviewed with employees. Cross-functional teams from strategy, HR, Finance, and Sustainability contributed insights, while employee dialogues provided diverse perspectives, helping shape targets aligned with organizational and workforce needs.

Tietoevry's targets addressing material risks and negative impacts related to gender equality, equal pay and diversity are aligned with the company's commitments to inclusion, diversity and non-discrimination outlined in its Code of Conduct. Targets related to working time, work-life balance and secure employment are related to the company's commitments to fair employment conditions, as outlined in the Code of Conduct.

All targets, except for the share of female recruits, have 2024 as the base year. The share of female recruits, however, uses 2020 as its base year, with a baseline value of 27%. The target scope for senior manager by gender does not cover Avega, Bekk, Eye-share, EVRY India, the Infopulse units in Brazil, Germany, Poland, and Ukraine as these entities operate under a different job grade system. The target scope related to the diversity, equity and inclusion training does not cover Bekk, which operates fully as a portfolio company.

Targets are measured annually, with specific target periods outlined in the target table. Additionally, several key targets are monitored quarterly, including reaching 30% of underrepresented gender in leadership positions by 2030, ensuring 37% of recruits are female by 2025, maintaining work-life balance by keeping overtime at low levels, and achieving a 90% completion rate for the annual My Growth review (which covers work and development goals for all employees). Quarterly reports are generated both at business and Group levels. Measurements of the targets are not validated by any external body except for the assurance providers and no milestones or interim targets have been set.

During Tietoevry's double materiality assessment, new material topics were identified, leading to the establishment of new targets. These targets were approved by GEM in early 2024 and remain unchanged, except for the My Growth target, which has been revised from 'Annual My Growth completion rate of 90% for all employees – development plans addressed' to 'Annual My Growth completion rate of 90% for all employees, covering work and development goals'.

Tietoevry values employee engagement in tracking sustainability and operational targets, and fostering transparency and collaboration. Through structured channels, employees are regularly updated on progress in areas like diversity, inclusion, and well-being. Quarterly performance reports related to targets are shared with respective businesses, empowering them to follow performance and contribute to improvement efforts. Employee engagement surveys are also used to monitor targets for satisfaction, work-life balance and inclusivity, and the insights are shared to inform decision-making and adapt operations as needed.

In 2024, 30% of board positions were held by the underrepresented gender, showing progress towards the 33% target by 2026. The company is on track, with a 3-percentage point gap requiring continued efforts but no significant deviations from the planned trajectory. The 26% representation in leadership positions falls short of the 2030 target of 30%, highlighting the need for further efforts. The achievement of 34% female recruits is below the company's initial plan, yet the overall increase in female recruits reflects a positive trend. Maintaining focus will be crucial to reach the 37% target within the next year, despite challenges such as lower recruitment volumes and fewer graduates. Close collaboration with business units is essential to align hiring processes and facilitate regular progress reporting against established targets.

During 2024, the first year of conducting a company-wide gender wage gap assessment, Tietoevry set itself the target of keeping the unexplained (adjusted) gender wage gap below the 5% threshold and achieved a result of 3% globally. This strong outcome highlights Tietoevry's commitment to pay equity through transparent practices, benchmarking, and structured compensation processes. As the initial assessment, it establishes a valuable baseline for future improvements. Tietoevry remains dedicated to further reducing disparities by enhancing monitoring and conducting regular reviews, ensuring that fairness and equity remain central to its compensation practices.

The target of achieving 100% annual training in DEI for all people managers was not fully met. This was the first year such training was conducted, and its launch in Q4, coinciding with other ongoing learning activities within certain businesses, may have impacted completion rates. As this training was introduced in 2024, no significant trends can yet be observed.

The My Growth completion rate for 2024 stands at 81%, which is below the target of 90%. This shortfall highlights the necessity to evaluate the existing processes and practices associated with the My Growth programme. It is essential to identify any barriers that may have prevented employees from completing their work and development goals to ensure that reskilling and upskilling needs are identified and managed. As this is a new target for the reporting year, no trends can be observed at this time.

The progress towards the target of maintaining overtime at a low level is in line with initial plans, as the 2024 result of 1% is well below the 3% threshold. This aligns with the objective of ensuring work-life balance. Future evaluations will be necessary to assess ongoing performance against this target. Since this is a new target, it is not possible to determine a trend based on previous performance.

Involvement of workforce or workers' representatives in identifying lessons or improvements as a result of performance against targets has not been implemented. Relevant engagement activities will be explored during 2025.

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

In 2024, Tietoevry recorded a 14% employee turnover rate of which 8% were voluntary. In total, 3 566 individuals left the company.

Employee data is collected via the Human Capital Management Platform (Workday) as well as through a manual process from subsidiaries not integrated in Workday. For new hires, turnover is calculated based on average headcount on the last day of the previous year and the last day of the reporting year. Headcount numbers are reported at the end of the reporting period. Assumptions are not used in the reporting related to metrics in S1-6. In the Financial Statements, personnel are reported based on the average number of full-time employees during the year and the total number of full-time employees at year end.

Employee headcount by gender

	2024
Gender	**Number of employees (headcount)**
Male	16 422
Female	7 655
Other	15
Not reported	0
Total employees	24 092

Employee headcount in countries with at least 50 employees

	2024
Country	**Number of employees (headcount)**
Austria	278
Bulgaria	690
China	1 026
Czech Republic	2 504
Denmark	54
Estonia	131
Finland	3 099
Germany	103
India	4 178
Latvia	1 159
Lithuania	136
Norway	3 874
Paraguay	91
Poland	955
Serbia	92
Slovakia	148
Sweden	3 683
Ukraine	1 699
US	118

Information on employees by contract type, broken down by gender (headcount)

					2024
	Female	**Male**	**Other**	**Not disclosed**	**Total**
Number of employees					
	7 655	16 422	15	0	24 092
Number of permanent employees					
	7 503	15 999	15	0	23 517
Number of temporary employees					
	152	423	0	0	575
Number of non-guaranteed hours employees					
	5	5	0	0	10

Collective bargaining coverage and social dialogue (S1-8)

Employment Terms and Conditions

Tietoevry ensures that the working conditions and terms of employment for its employees are largely determined or influenced by collective bargaining agreements, particularly within the European Economic Area (EEA).

In consideration of the working conditions and terms of employment of non-employees, Tietoevry aims for transparency and adherence to industry standards where collective bargaining agreements are applicable. While specific estimates of coverage rates for non-employees are not available, the company strives to ensure fair and equitable treatment across all its workforce segments. The percentage of total employees covered by collective bargaining agreements during 2024 was 42%.

In relation to social dialogue, Tietoevry actively facilitates structured engagement between employees and management. Employees within the European Union (EU) are covered by a European Works Council (EWC) agreement. This agreement ensures robust representation and dialogue on matters concerning working conditions, employment terms, and other significant workplace issues. The percentage of total employees covered by workers' representatives in the EEA during 2024 was 66%.

Data related to collective bargaining coverage and social dialogue is collected from HR specialists in all countries of operations via a manual process. Data reported includes end-of-year headcount and percentage of employees covered by collective bargaining agreements.

Collective bargaining coverage and social dialogue

		2024
	Collective bargaining coverage	Social dialogue
Coverage Rate	Employees - EEA	Workplace representation (EEA only)
0–19%	Bulgaria, Czech Republic, Denmark, Estonia, Germany, Latvia, Lithuania, Poland, Slovakia	Bulgaria, Czech Republic, Denmark, Estonia, Latvia, Slovakia
20–39%	—	—
40–59%	—	—
60–79%	—	Poland
80–100%	Austria, Finland, Norway, Sweden	Austria, Finland, Germany, Lithuania, Norway, Sweden

Diversity metrics (S1-9)

Top management is defined as Tietoevry's Group Executive Management team. Data is collected from Workday in terms of headcount by the end of the year.

		2024
Gender	Number of employees at top management level	Percentage of employees at top management level
Male	8	89 %
Female	1	11 %

Age distribution across workforce

Data regarding distribution of age across the workforce is collected from Workday and via Excel in terms of headcount by the end of the year.

	2024
Age distribution in workforce	Headcount of employees
Under 30 years old	4 259
30–50 years old	14 890
Over 50 years old	4 943

Remuneration metrics (pay gap and total remuneration) (S1-16)

Tietoevry has undertaken a thorough analysis of employees' base pay to assess the gender pay gap, adhering to well-defined principles and rules. Assessment has included both the unadjusted pay gap, which amounted to 12% during 2024, as well as the adjusted gender pay gap, which was 3% during 2024.

The unadjusted gender pay gap is determined as the difference in average annualized full-time salary between male and female employees, expressed as a percentage of the average annualized full-time salary of male employees.

The adjusted gender pay gap evaluation framework involves assessing compensation within specific peer groups, based on country, business, and job profiles for employees in the centralized human resource management system and similar categorizations for those outside of the centralized system. This is to ensure that peer groups represent individuals performing a similar type of work in the same business and location. Furthermore, the analysis factored in several key variables, such as employee work-life experience, tenure within the company and their current role, and supervisory responsibilities.

The total remuneration ratio at Tietoevry is determined by comparing the annual remuneration of the highest-paid individual to the median annual remuneration of other employees, excluding the highest-paid individual. The total remuneration data was gathered at an individual level from the company's central human resource system, along with inputs from country HR representatives where needed (for locally administered benefits, pensions, and allowances). During 2024, the total remuneration ratio was 34%.

To allow for a meaningful comparison of employee remuneration across different countries, Tietoevry applied the World Bank's Purchasing Power Parity (PPP) conversion factor to all individual remuneration data. The PPP conversion factor was applied based on the employee's country of employment to determine employee total remuneration in international dollars (total remuneration in local currency/PPP conversion factor), which is then used to further determine the total remuneration ratio.

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

Tietoevry collects data on incidents, complaints, and severe human rights impacts through the company's whistleblowing channel as well as from HR partners. Data is consolidated at the end of the year for reporting purposes. The company also reviews any complaints that might have been channelled to the National Contact Points.

During 2024, a total of 62 cases were submitted to HR partners and the Whistleblowing Unit. The number of reported discrimination and harassment incidents amounted to 30 for the reporting year. Out of these, three cases contained discrimination allegations, and 27 cases were harassment related. Following due investigation, 27 cases were closed, and two are still ongoing. In total 16 remediation plans were implemented, with six results reviewed through internal management review processes. One remediation plan is still under implementation, and 27 incidents are no longer subject to action.There were no fines, penalties or compensation for damages resulting from any of the reported cases. No cases of severe human rights incidents – including forced labour, human trafficking, or child labour – were reported during the year.

S2 - Workers in value chain

Strategy

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SMB-3)

Tietoevry identified actual negative impacts related to collective bargaining and freedom of association for value chain workers. Furthermore, a potential negative impact was identified related to value chain workers' right to equal treatment and opportunities for all.

The majority of Tietoevry's purchases occur within the Nordic countries, with its top 200 suppliers accounting for 85% of total supplier spend, ranked by expenditure. Suppliers based in Finland, Sweden, and Norway represent more than 70% of the company's annual external spend. Hence, the risk for Tietoevry being directly involved in any widespread and systematic negative impacts is limited. However, Tietoevry is aware of the fact that, through its business relationships with its suppliers in lower tiers of the supply chain, the company may be linked to impacts originating from suppliers located in regions with weak labour protections and regulatory oversight where these impacts occur.

In these regions, workers may face restrictions on their rights to organize and engage in collective bargaining due to both local labour practices and the structure of global supply chains. These negative impacts are not isolated incidents, but reflect ongoing challenges in industries such as electronics manufacturing and raw material extraction, where labour rights violations are more common. Additionally, the transition to greener and climate-neutral operations could further exacerbate these risks, particularly in sectors such as mining for minerals required for sustainable technologies. Restructuring and an increased demand for critical minerals, coupled with lack of careful management, may lead to worsening labour conditions, impacting workers' rights to collective bargaining and freedom of association.

Workers who could be materially impacted in Tietoevry's value chain include migrant workers in upstream activities such as mineral extraction. This is a key part of Tietoevry's hardware sourcing value chain. Therefore, Tietoevry sources hardware from reputable global brands with established programmes aimed at mitigating the risk of workers being negatively impacted. Migrant workers – potentially a part of Tietoevry's value chain – may face exploitation and a lack of protection. Women in male-dominated sectors such as the technology sector may encounter discrimination and pay gaps, while young workers and subcontracted staff may face job insecurity and lower wages. Trade unionists in regions hostile to unionization may risk retaliation, and home workers – such as remote IT service providers – may experience isolation and a lack of protection. Additionally, maintenance staff, service workers in offices and data centres, and subcontracted workers in technology, hardware installation, and logistics may also be subject to impacts, while not considered material to Tietoevry.

Tietoevry has not identified the risk of child labour and forced or compulsory labour in its own operations as material, but there is an elevated risk of this further down the supply chain, particularly in the extraction sector from which the metals and minerals used in Tietoevry's hardware are sourced. Some suppliers may be operating in regions with known forced labour issues, particularly in raw material extraction or manufacturing. Countries with weaker labour laws, like parts of Asia and Africa, pose heightened risks. Although Tietoevry does not directly source raw materials, it relies on suppliers for electronic components that may include minerals like cobalt and tin, often sourced from areas known for forced labour. This may be the case especially in artisanal mining, mainly taking place in African countries. Additionally, outsourcing services or working with third-party contractors in regions with forced labour risks expose Tietoevry indirectly.

In 2024, Tietoevry identified two cases of potential non-compliance with the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work, or OECD Guidelines for Multinational Enterprises involving value chain workers. The first case involved a Norwegian supplier accused of poor working conditions, leading to an external inquiry under the Norwegian Transparency Act. Tietoevry investigated the case and engaged in dialogue with the supplier where compliance with Tietoevry's Supplier Code of Conduct was addressed. Following the discussions, the matter was resolved.

The second case arose from a customer inquiry about how Tietoevry ensures respect for human rights and working conditions among its limited number of suppliers located in Israel. Tietoevry conducted a risk assessment, consulted a human rights expert, and engaged with relevant customer teams. The situation is being monitored, with further supplier dialogues planned for 2025. This has prompted Tietoevry to further strengthen its human rights due diligence processes, with plans to explore additional enhancements in 2025.

Tietoevry is not aware of any severe human rights issues or incidents in its value chain reported during 2024.

Given that Tietoevry has not identified any actual or potentially positive impact on workers in the value chain, there are no activities resulting in positive impacts to be reported yet. Additionally, the results of the double materiality assessment indicated that the company does not have any material risks and opportunities arising from impacts and dependencies on workers in the value chain.

Impacts, risks and opportunities management

Policies related to value chain workers (S2-1)

Tietoevry is dedicated to respecting and supporting internationally recognized human rights for all individuals impacted by its business operations across the regions in which it operates, including workers in the value chain. This commitment is formalized through several key policies, including the Human Rights Policy, Code of Conduct, the Supplier Code of Conduct and Tietoevry's Source to Pay Policy. The commitments in the Human Rights Policy apply equally to Tietoevry's workforce and value chain workers.

In addition to the Human Rights Policy and the Code of Conduct, Tietoevry's Supplier Code of Conduct (The Supplier Code) is the key policy that addresses impacts on value chain workers. It communicates the company's ethical and business principles, which all business partners are expected to follow. For clarity, when Tietoevry acquires new businesses, the transferred supplier contracts do not initially include Tietoevry's Supplier Code. However, in any contract renewal or new contract the Supplier Code is incorporated.

As outlined in the Supplier Code, Tietoevry upholds and respects all internationally recognized human rights and adheres to the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the UN Global Compact. The Supplier Code aligns fully with applicable ILO conventions, addressing the prohibition of forced and child labour, and the right to freedom of association, and collective bargaining rights. Rooted in these principles, it also incorporates additional expectations tailored specifically to Tietoevry's standards.

The key contents of the Supplier Code define minimum requirements in areas such as human rights, labour conditions, environmental responsibility, business ethics, and legal compliance. It emphasizes the need for suppliers to support freedom of association, enable collective bargaining, and safeguard workers' representatives from discrimination while allowing them to fulfil their responsibilities. The Supplier Code also sets out requirements for equal treatment and opportunities for all employees. It mandates that employees must not face discrimination or harassment – neither physical, sexual, psychological, or verbal – based on gender, nationality, religion, race, age, disability, sexual orientation, pregnancy, marital status, political opinion, union membership, social or ethnic origin, or any other status protected by local laws. Human rights must be understood, respected, and applied equally to all workers, whether temporarily or permanently hired or contracted. In cases where local laws conflict with the principles in the Supplier Code, the highest standard should prevail to ensure sustainable operations.

Input for the annual review of the Supplier Code is gathered through benchmarking, stakeholder interviews, and expert feedback. This process ensures alignment with stakeholder priorities and addresses their concerns. Regular reviews ensure the policy remains responsive to evolving stakeholder interests and expectations. Engagement with value chain workers is indirect, primarily via supplier management.

It is the responsibility of the supplier to ensure that its employees, relevant affiliated companies, and subcontractors are informed about the content and comply with the requirements. Tietoevry strives to embed the Supplier Code across its supply chain through integration into contracts, training programmes, and compliance mechanisms. Responsibility for implementing the Supplier Code lies with Tietoevry's Group Chief Procurement Officer (CPO).

The key content of the Source to Pay Policy is to ensure effective supplier management with the goal of maximizing value, minimizing waste and total costs, and ensuring compliance with both internal and external requirements. The policy is valid for all Tietoevry employees, businesses and operations and its objective is to ensure that the company engages with suppliers that meet Tietoevry's standards for responsible supply, while also requiring those suppliers to uphold the same standards with their own partners. The Group CPO is responsible for implementing the policy. In line with Tietoevry's standard procedures, the policy is updated annually based on alignment with stakeholders' and experts' priorities and concerns. The policy content is made available to all employees through a mandatory e-learning module in Tietoevry Essentials.

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

As most of Tietoevry's value chain workers are several tiers down, the company has limited influence over their working conditions. Besides direct engagement during on-site audits, no general process for interacting with value chain workers has been established due to this limited influence. Given the limited engagement with value chain workers, the company does not currently assess the effectiveness of such engagement. Indirect engagement, primarily through the supplier's management, occurs via selected management reviews conducted as part of the company's annual risk assessment of its supplier base. The topics of these reviews vary yearly to address the company's identified material impacts, risks, and opportunities. The outcomes of these reviews, along with audit findings, guide decisions and actions to manage actual and potential impacts on value chain workers. Tietoevry conducts 8-10 management reviews annually, typically with different suppliers each year. For hardware suppliers, these reviews take place yearly, focusing specifically on conflict minerals. The Group CPO, along with Sourcing Managers and Group Sustainability, is responsible for ensuring that this engagement occurs and that the results, when deemed valuable, influence Tietoevry's approach to supplier management. The company has not yet undertaken efforts to understand the perspectives of workers who may be particularly vulnerable or marginalized.

In 2025, Tietoevry intends to initiate direct dialogues with value chain workers closer to the company's own operations, such as cleaners and canteen staff, to inform future decisions and activities.

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

Tietoevry is dedicated to maintaining effective grievance and remediation mechanisms, as detailed in its Human Rights Policy and Supplier Code. The company offers transparent communication channels for all stakeholders to raise concerns without fear of retaliation, including a third-party-operated whistleblowing channel for anonymous reports from external parties, such as value chain workers. More information about the whistleblowing process can be found under G1 - Business Conduct. Tietoevry has not yet assessed whether the value chain workers are aware of and trust the company's processes to raise their concerns or needs. Nor has Tietoevry explicitly required its suppliers to provide a channel for value chain workers to raise concerns. This will be considered during the annual review of the Supplier Code in 2025. As a result, the company does not yet track or monitor the effectiveness of suppliers' channels.

On-site audits help Tietoevry detect any significant risks to workers in the value chain. If an audit reveals a potential issue, Tietoevry collaborates with the supplier to develop an action plan for correction within a specified timeframe. In cases where a complaint or issue arises, Tietoevry monitors the situation closely until it is fully resolved, and conducts follow-ups with both the supplier and affected workers to ensure that improvements are effectively implemented and sustained. If Tietoevry is confirmed to have the obligation to offer or participate in providing remedy to value chain workers, such a situation would be dealt with individually and on a case-by-case basis. The effectiveness of remedies provided has not been assessed, as the company has not encountered a situation of material negative impact on workers in the value chain requiring remedial action.

Actions

Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions (S2-4)

Tietoevry is committed to identify, mitigate, and prevent any negative impact related to the company's operations throughout the value chain. Key actions aimed to prevent or mitigate identified impacts, addressing all three material topics relevant to value chain workers during the reporting year are outlined below. The scope of the key actions covers Tietoevry's suppliers.

- Sustainability assessment: Integrated into the regular supplier selection process to evaluate suppliers' commitment to environmental, social, and governance (ESG) issues. From 2024 onwards, results are key in finalizing supplier selections, ensuring alignment with Tietoevry's vision, goals and policy objectives
- Annual risk assessment: Assessed all suppliers, classifying them into risk categories allowing for a targeted approach to mitigate supply chain risks, particularly in high-risk areas, which strengthens overall supply chain resilience. High-risk suppliers underwent follow-up activities, see below
- Follow-up activities:
  - Conducted three on-site audits to receive a deeper insight into suppliers' practices, ensuring compliance with regulations and Tietoevry-specific standards
  - Held three management reviews with hardware suppliers with the expected outcome of gaining a clearer understanding of the material sourced. Additionally, dialogues aim to mitigate supply chain disruption risks stemming from geopolitical instability or sanctions, and also to ensure supplier compliance with regulations like the EU Conflict Minerals Regulation
  - Organized eight management reviews with selected suppliers to discuss achieving zero emissions in the value chain with the expected outcome of promoting proactive action, contributing to long-term carbon reduction in the company's value chain
  - Engaged in six targeted dialogues encouraging suppliers to set SBTs. Regular engagements, such as dialogues, build trust and encourage collaboration, fostering a culture of continuous improvement within the supply chain
- Supplier training: Trained two suppliers on Tietoevry's Supplier Code with the expected outcome of enhancing suppliers' understanding of ethical and responsible business practices, raising standards across the supply chain
- Customer team support: Held dialogues with three Tietoevry customer teams supported by suppliers in areas requiring heightened human rights due diligence. Collaborations with customer teams help ensure human rights concerns in the company's value chain are identified and addressed, mitigating potential negative impact to people and reputational and operational risks for the company

In its 2023 annual report, the company committed to strengthening and monitoring the supplier onboarding process, culminating in the integration of a sustainability assessment into the supplier selection process in 2024. Additionally, Tietoevry advanced its Supplier Code implementation by training suppliers in 2024.

A fundamental action to avoid causing or contributing to material negative impacts on value chain workers through the company's own practices and to manage material risks in the company's supply chain is to clearly outline Tietoevry's expectations on its suppliers to comply with all applicable laws and regulations as a fundamental requirement. Furthermore, suppliers with a contractual relationship with Tietoevry must adhere to the principles outlined in the Supplier Code, which serves as the foundation for the company's Responsible Sourcing practices. All onboarded suppliers are required to undergo a sanctions check. The Group Sourcing and Partnerships Function, led by the Group CPO, monitors new and renewed supplier contracts to maintain high standards and compliance levels.

The company allocates dedicated resources to managing its material impacts, including a team comprising of Supplier Due Diligence Officers and Sustainability Process Leads, in close collaboration with Group Sustainability. This team focuses on ensuring responsible supply chain management by maintaining and updating current processes. Additionally, investments are directed towards enhancing the Supplier Dashboard, enabling continuous monitoring of supplier contracts and associated risks.

A statement in the Source to Pay Policy outlines that no suppliers should be invited to a process unless they have a fair chance to win the bid. Moreover, Tietoevry's Code of Conduct states that colleagues and others are to be treated with respect. This includes avoiding situations where Tietoevry's requests would directly or indirectly demand suppliers to work excessive hours which would cause a negative impact on value chain workers.

When being alerted about a potential negative impact, the relevant sourcing manager is responsible for ensuring a dialogue with the supplier's key account manager to verify the finding and agree on corrective and preventive action plans. Such a process usually includes meetings with the supplier's management.

In Tietoevry's Supplier Code, the company requires the supplier to notify Tietoevry whenever there is a violation of the Supplier Code. This is being monitored through frequent dialogues with Sourcing managers and through the Whistleblowing Channel. Due to a lack of reliable insight, the company has not taken action to validate and provide or facilitate remedies for its current material impacts.

Tietoevry has not taken any additional actions or initiatives with the primary purpose of delivering positive impacts for value chain workers. As a result, the company does not track or monitor the effectiveness of such initiatives.

Tietoevry plans to improve and further develop its supplier assessment tool starting in 2025, with a particular focus on enabling the categorization of suppliers based on sector- and industry-specific risks. The goal is to gain a deeper understanding of and more accurately identify where in the supply chain actual and potential negative impacts of freedom of association, collective bargaining, and equal treatment and opportunities for workers occur. Based on more accurate data, the company will be able to scope targeted responses. With the enhancement of its management and engagement with suppliers, Tietoevry aims to develop means to track and assess the effectiveness of the actions listed above during 2025. Moreover, in 2025 Tietoevry will review the measurements it currently uses to monitor progress within supplier management with the aim of setting specific, measurable, relevant, outcome-oriented and time-bound targets supporting the policy objectives.

Tietoevry's action plan for the material S2 topics did not involve significant operational (Opex) or capital (Capex) expenditures during the 2024 financial year. Additionally, no future financial resources (Capex) have been allocated to future action plans at this time. During 2025, Tietoevry plans to invest EUR 0.1 million in a Supplier Due Diligence tool to replace the current tool with a more automated, up-to-date and user friendly one. There is a need for a Dashboard and the possibility to do the follow-ups with less manual work which excludes human errors.

Metrics and targets

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

Aligned with the company's policy objectives, the aim is to ensure the inclusion of the Supplier Code in all supplier contracts. Tietoevry monitors this metric and evaluates its effectiveness through the Supplier Dashboard.

Targets for the material topics related to workers in the value chain will be explored during 2025.

S4 - Consumers and end-users

Strategy

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SMB-3)

Privacy for consumers and end-users has been determined as a material risk and as an actual positive impact for Tietoevry in the company's double materiality assessment. The scope of Tietoevry's double materiality assessment covers all consumers and/or end-users who are likely to be materially impacted by the company, including impacts connected with the company's operations and value chain through its products and services, as well as its business relationships.

Tietoevry's positive impact on privacy for consumers and end-users comes from its strong commitment to data protection. The company ensures privacy by using secure technologies, conducting regular security audits, and complying with regulations like the General Data Protection Regulation (GDPR). The company is also transparent about data collection and usage practices. Building trust through strong privacy practices enhances customer loyalty and satisfaction.

In terms of risks, Tietoevry is particularly attuned to data privacy and cybersecurity. Given the company's involvement in managing critical IT infrastructure and sensitive data, any breach could have significant repercussions. Tietoevry continues to strengthen its cybersecurity capabilities and ensure compliance with data privacy regulations.

All potential personal data breaches that affect individuals stem from violations of data confidentiality, availability or integrity. These breaches could result in various negative consequences, such as inability to continue personal data processing (e.g. service disruptions), potential physical harm (especially concerning patient safety), significant economic or social disadvantages, and discrimination. Additionally, consequences could include financial loss, identify theft or fraud, damage to an individual's reputation, and negative impacts on the rights and freedoms of the data subjects. These risks apply to everyone, but their impact depends on the individual's category, the type of personal data, and whose data is being processed. Vulnerable groups, as well as those whose sensitive personal data is processed, are particularly at risk, and the potential consequences for these groups might be more severe. To address these risks, Tietoevry conducts Privacy Impact Assessments (PIAs) as part of its role as a Data Processor for its customers, who act as Data Controllers. These assessments help identify and evaluate potential privacy risks, and Tietoevry takes action to mitigate these risks and ensure that negative consequences for individuals are minimized.

During product or service development, Tietoevry carefully assesses the purpose, scope and context of personal data processing from the perspectives of the different categories of individuals whose data is involved. Customers may process the personal data of various groups, including their employees, consumers, children, elderly people, patients and students.

Impact, risk and opportunity management

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

Tietoevry's main policies related to privacy include its Privacy Policy and its Human Rights Policy. The Privacy Policy aims to protect personal data in compliance with data protection laws, particularly the GDPR. The policy outlines how the company processes, manages, and safeguards personal data across its operations. Key objectives include ensuring transparency, security and user control over personal data. The policy addresses risks related to data breaches, privacy violations and regulatory non-compliance, while it also identifies opportunities in building trust and data-driven innovation. Besides the GDPR, the policy is aligned with other relevant national and international data protection laws. Parts of the policy are aligned with the UN Guiding Principles on Business and Human rights (UNGP), particularly in the protection of privacy as a fundamental human right, and the UNGP's requirements to conduct due diligence to prevent and mitigate adverse human rights impacts.

The policy applies to Tietoevry's operations and value chain, including suppliers and partners handling personal data. It covers all regions where the company operates and includes key stakeholders such as all customers, employees, partners and end-users, ensuring personal data protection across upstream and downstream activities. It is available internally on the company's intranet and all employees are required to complete the company's e-learning on privacy annually. An external Privacy Policy Statement – based on the policy – is made available upon request to external stakeholders. Stakeholder interests have not been considered when setting and reviewing the Privacy Policy – the policy is purely based on the requirements in the GDPR.

The CEO approves the Privacy Policy and the Head of Group Legal is responsible for implementing it.

Confirmed personal data breaches are reported by Tietoevry, as a data processor, to its customers as data owners. It is the responsibility of the customer to evaluate the severity of any breach. Tietoevry has not been made aware of any cases of non-respect of the UNGPs, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises that involve consumers and/or end-users during 2024.

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

As a company that handles personal data both for its own purposes and on behalf of customers across various sectors, Tietoevry prioritizes privacy and data protection. When delivering IT services and products, the company is committed to safeguarding the privacy, rights and freedom of individuals.

In its role as a Data Processor, Tietoevry adheres to the GDPR, particularly ensuring compliance with legal obligations when partnering with customers who act as Data Controllers. This means that Tietoevry processes personal data based on the instructions and requirements of its customers, who are responsible for ensuring transparency and protecting the privacy of their consumers and end-users.

Tietoevry integrates Data Protection by Design and Default into its services and products, as required by GDPR Article 25. During product and service development, potential privacy risks for individuals whose data will be processed are carefully assessed and mitigated. Once delivered, services are carried out according to customer contracts and specific data processing instructions are provided by customers.

When Tietoevry collaborates with customers, privacy-related discussions are part of day-to-day operations, such as sales process or service delivery. However, as a Data Processor, Tietoevry does not interact directly with consumers or end-users. The responsibility for ensuring data privacy and transparent communication with end-users rests with the company's customers, who act as Data Controllers.

Similarly, when Tietoevry acts as a Data Controller – for instance, when handling the personal data of its employees, customers or external partners – the company follows GDPR Article 25. It assesses potential risks to individuals' privacy and ensures that any affected individual is informed before their data is processed. Individuals are also given the opportunity to raise concerns, ask questions, or exercise their privacy rights. In cases involving employees, Tietoevry may engage with their representatives – such as members of the European Works Council (EWC) – to ensure full transparency.

As Tietoevry is a significant service provider working with many customers, any potential negative impacts on data privacy could have widespread or systemic consequences. This makes privacy protection a key focus in all aspects of the company's operations.

Tietoevry, as a business-to-business company and Data Processor, has no general process for engaging with consumers or end-users. This responsibility primarily lies with its customers, who act as Data Controllers.

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

When Tietoevry acts as a Data Processor, the company supports its customers (the Data Controllers) in managing personal data. However, it is the Data Controller's responsibility to provide channels through which their consumers and end-users can raise privacy concerns or issues. If necessary, consumers and end-users can also submit complaints to their national data protection authority, as outlined by the GDPR. Tietoevry itself does not provide specific contact points for consumers or end-users, unless agreed upon in the customer contract (for example, through a service desk).

As a Data Controller, Tietoevry ensures transparent communication on how individuals can reach out on privacy-related matters. Employees have access to an internal Privacy Notice, while a public Privacy Notice is available for external individuals, such as customer representatives, partners, suppliers, visitors, and job candidates. Additionally, Tietoevry has set up and communicated a whistleblowing channel to allow for the reporting of privacy concerns or violations.To ensure that the company's channels to raise issues are efficient, the company conducts process performance evaluations monthly and reporting to top management at least twice a year. Tietoevry has not conducted any specific assessment to understand whether the company's privacy notice is deemed as a trusted way to raise concerns due to its role as a Data Processor. Read more about awareness and trust in the company's overall grievance and remediation processes under G1 - Business Conduct.

Actual security incidents jeopardizing confidentiality, availability of services, and personal data of individuals are handled according to Tietoevry's security incident management process, which includes a special personal data breach management procedure. Reported breaches are investigated, resolved, and notified to relevant stakeholders according to GDPR Article 33. In addition, internal privacy assessments and external auditing provide information about possible issues having an impact on the privacy of individuals.

If Tietoevry identifies actions that have caused or contributed to a material negative impact, immediate and appropriate steps are taken to address the issue. The company's remediation approach is outlined in the Human Resources Policy and the Human Rights Policy. In cases where Tietoevry is obligated to offer or participate in providing remedy, each situation is handled individually on a case-by-case basis.

Actions

Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions (S4-4)

Tietoevry pursues the material opportunity related to privacy by integrating privacy and data protection into its core business practices. Strong privacy management not only mitigates risks but also builds trust with customers, partners, and end-users, strengthening the company's reputation and competitive edge. Key actions Tietoevry can perform to seize this opportunity include:

- Privacy by Design and Default: Tietoevry embeds privacy considerations into the development of all products, services, and applications from the outset. By aligning with GDPR Article 25, the company ensures that personal data is protected by default
- Strong Privacy Framework: Tietoevry's comprehensive Privacy Framework helps to ensure that privacy is managed systematically across all business operations. This framework includes monitoring potential risks, adhering to data protection regulation, and implementing robust processes to safeguard personal data
- Compliance with global standards: By complying with the GDPR and other international data protection laws, Tietoevry can assure customers that their data is handled responsibly
- Continuous Improvement: Tietoevry regularly reviews and updates its privacy practices based on new regulations, customer feedback, and industry standards. This adaptability ensures that the company remains at the forefront of privacy and data protection

In summary, Tietoevry leverages privacy as a material opportunity by embedding it into its products, fostering trust, ensuring regulatory compliance, and continuously improving its privacy practices to meet evolving market demands.

Privacy-related roles and responsibilities are clearly defined at Tietoevry. The company has allocated resources to manage significant impacts and risks, including well-established roles for issue and incident management. Additionally, Tietoevry's businesses have the necessary resources in place to ensure compliance with GDPR Article 33, which governs the reporting of personal data breaches. Tietoevry's privacy policy, procedures, instructions, and systems are valid and mandatory for the whole company, including different functions and their daily operations in the Corporate Business Services organization, as well as in the businesses accountable and responsible for customer sales and service deliveries.

At the start of 2024, Tietoevry's Group Privacy outlined the following privacy improvement focus areas for the year:

- Opportunity and contract management: Involve customer teams and sales personnel acting in a Data Processor role
- GDPR compliance for offerings: Engage product teams, product owners, and managers in a Data Processor role
- GDPR in continuous service delivery: Include service delivery teams and personnel in a Data Processor role
- GDPR in project deliveries: Focus on programme and project managers in a Data Processor role
- GDPR in sourcing and supplier management: Key employees responsible for evaluating supplier GDPR/privacy practices in both Data Processor and Data Controller roles
- GDPR compliance of internal services: Involves application owners and managers in a Data Controller role
- Improving privacy awareness and competence of employees: Targeted according to employees' specific roles

In addition, Tietoevry also conducts ISAE 3000 audits on an annual basis as a means to evaluate the effectiveness of the company's privacy activities and processes. The goal of these initiatives is to strengthen the company's GDPR compliance and ensure better protection of individuals' privacy.

Tietoevry's internal privacy improvement efforts are proactive and preventive measures aimed at avoiding non-compliance with applicable laws. These actions also enhance the company's privacy capabilities and maturity, enabling it to deliver better services with robust privacy solutions to customers. This in turn helps customers to fulfil their responsibilities and obligations when processing the personal data of consumers and end-users. Tietoevry mitigates the risk related to privacy for consumers and end-users through its privacy management as described under 'Material positive impact'.

Based on actions formulated in 2023, Tietoevry has maintained its systematic and comprehensive approach to data privacy governance also in 2024. In line with disclosed action plans in 2023, the company has executed activities aligned with its Privacy Framework, while placing particular focus on the Schrems II implementation and EU-US Data Protection Framework. Necessary updates have been integrated into the Sourcing and supplier management processes and incorporated into training sessions for key internal stakeholders.

Group Privacy closely monitored developments in privacy-related legislation within the EU and in other countries where Tietoevry operates. Internal projects were conducted in locations such as India and China. Additionally, a mandatory e-learning programme for all employees achieved an impressive completion rate of nearly 100% (99.97%).

Throughout the year, Tietoevry received no substantiated complaints regarding breaches of customer privacy (i.e. no fines imposed for GDPR non-compliance). Additionally, Tietoevry has not been made aware of any severe human rights issues connected to consumers and end-users during 2024.

Tietoevry's Group Privacy unit is part of the Group Legal organization and privacy improvement actions in 2024 were run as Group Legal operating costs. The action plan did not involve significant operational (Opex) or capital (Capex) expenditures during the 2024 financial year. Additionally, no future financial resources (Opex or Capex) have been allocated to future action plans at this time.

Metrics and targets

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

Material topic	Type of IRO related to target	Target	Result 2024	Result 2023	Result 2022
Privacy for consumers and end-users	Actual positive impact and risk	100% of employees completed the annual Privacy e-learning	97%	100%	100%
Privacy for consumers and end-users	Actual positive impact and risk	Zero GDPR-related fines imposed by data protection authority	0	0	0

Tietoevry, in its roles as both a Data Processor and Data Controller, continuously monitors the effectiveness of its internal Privacy Framework and the outcomes of its privacy-related procedures. To ensure accountability, Tietoevry has established privacy Key Performance Indicators (KPIs) and targets, which are clearly communicated. The company regularly reports its privacy performance and maturity levels to GEM and the ARC.

To monitor progress, the company conducts annual privacy maturity surveys, internal assessments, and external audits. These processes help to ensure continuous improvement in privacy practices and performance. Internal stakeholders are involved in setting privacy targets and monitoring performance. While consumers and end-users are not directly engaged in these processes, Tietoevry employees – including privacy professionals – and key teams such as security, risk management, and IT play an active role in identifying privacy-related lessons and driving improvements.

Tietoevry has several internal targets and metrics related to managing its actual positive impacts and risks related to privacy for consumers and end-users. These are related to, for example, the company's offering, the GDPR compliance of suppliers and internal services, and employee training. All the company's privacy targets are aligned with Tietoevry's privacy objectives and principles as outlined in the company's Privacy Policy. Two targets are external, and both are related to the company's actual positive impact and material risk.

The target 'Zero GDPR-related fines imposed by data protection authority' is measured on an annual basis. Data is collected at year end through internal sources. The base year for this target is 2020 with the corresponding baseline value of 0.

Tietoevry's second target is to have 100% of its employees completing the Privacy e-learning on an annual basis. The target has been revised during 2024 from aiming for a completion level of 90% to a completion level of 100%, to reflect the fact that completion of the training is mandatory for all of Tietoevry's employees. The base year for this target is 2020 with the corresponding baseline value of 89%. This year's result falls short of expectations, requiring corrective actions. Nevertheless, the overall outcome remains commendable and consistent with previous years.

As stated in the BP-1, all entities within the Tietoevry Group are included in the target for 'Zero GDPR-related fines imposed by data protection authorities'. However, compliance can only be tracked within Europe, as data on non-compliance outside Europe is unavailable. The target related to the completion level of the Privacy e-learning covers all entities within the Tietoevry Group, with the exception of the subsidiary Bekk, as it operates fully as a portfolio company. This year's target outcome, which aims for zero GDPR-related fines imposed by data protection authorities, aligns with expectations and continues the trend observed since 2018. This is a result of Tietoevry's comprehensive and systematic approach to ensuring privacy and GDPR compliance.

Performance against both targets are monitored by the Group Privacy function, and followed up on a quarterly basis. Quarterly performance related to the e-learning target is followed up from the third quarter each year. Performance is shared with and reviewed by each of the company's businesses as well as at Group level. Annual results are shared externally.

Governance

G1 - Business conduct

Strategy

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

Tietoevry has identified the protection of whistleblowers, and the prevention and detection of corruption and bribery, including training, as material positive impacts. Key factors are the company's promotion of transparency, ethical guidelines, and measures to protect whistleblowers (including preserving anonymity and preventing retaliation). Leadership's commitment to fostering an open, ethical environment where employees can raise concerns without fear is also crucial.

Additionally the company has identified corruption and bribery as potential negative impacts due to the complexity of its global operations and supply chains. With numerous third-party relationships across diverse regulatory environments, there is a risk of unethical practices occurring within the value chain. Operating in markets with varying levels of regulatory oversight further increases this exposure.

Impact, risk and opportunity management

Business conduct policies and corporate culture (G1-1)

Corporate culture is crucial to Tietoevry's business success, shaping employee behaviour, engagement and well-being, while driving the company's ability to innovate and adapt in a rapidly changing business environment. Tietoevry fosters a culture grounded in openness, trust and diversity through communication, training and development as well as employee engagement. Evaluation of the company's corporate culture is carried out through employee surveys, tracking of metrics such as employee turnover and diversity metrics, and cultural audits.

Tietoevry's commitments related to business conduct and corporate culture are formalized in Tietoevry's Code of Conduct. This is further underpinned by other Tietoevry policies, rules and processes, of which the most relevant are described below.

Tietoevry's Whistleblowing Rules promote an open corporate culture by offering a safe mechanism for reporting compliance concerns without fear of retaliation. The rules specify reportable issues, such as Code of Conduct breaches, legal violations and ethical misconduct, and encourage both employees and external stakeholders, including those in work-related relationships (e.g. suppliers, partners or customers) to raise concerns. The process for reporting concerns is also described in the rules, including how follow-ups on reports are conducted in a way that ensures confidentiality and protection against retaliation. The rules also outline the company's commitment to safeguard and uphold privacy principles. Investigations are carried out fairly and independently to ensure that the rights of all parties involved are respected. The roles of the Whistleblowing Unit, the Group Compliance Officer, Designated Points of Contact, and the Escalation Committee are defined in the document.

The implementation of Whistleblowing Rules and systems represents good corporate governance practices and is required by statutory regulation in many jurisdictions, including EU member states that have transposed EU Directive 2019/1937.

The purpose of Tietoevry's Anti-Corruption Rules is to ensure compliance with international standards – such as the UN Convention against Corruption and the OECD Guidelines for Multinational Enterprises – alongside local laws in each country where the company operates. When local laws provide no guidance, Tietoevry applies its Code of Conduct and these rules. The company's primary objective is to guide employees on anti-corruption principles and appropriate conduct regarding business relationships. The rules stress that all business dealings must be honest, transparent, and based on sound judgment. The rules also highlight the importance of interacting with external partners to build successful relationships, while ensuring that gifts or benefits are exchanged appropriately and never in ways that could be construed as unethical. Compliance with these principles is expected from all employees, officers, and directors of Tietoevry.

Stakeholder interests are taken into account when setting and reviewing policies and rules. In the latest review of the Anti-corruption Rules, stakeholder perspectives influenced several updates, including the enhancement of guidance on gifts and hospitality, the establishment of a clear process for proposing and approving sponsorships and donations. Considerations taken into account when reviewing the Code of Conduct included the inclusion of commitments to developing responsible solutions, and revisions concerning employees' duties, roles, and ownership in external businesses and organizations. Stakeholder considerations regarding the possibility to report concerns anonymously, which is not a legal requirement in accordance with statutory law, was taken into account in relation to updates of the company's Whistleblowing Rules.

The Code of Conduct, the Whistleblowing Rules and the Anti-corruption Rules are revised on an annual basis, involving internal and external stakeholders, and subject-matter expertise. The rules are available on Tietoevry's intranet as well as on the company's website. The Code of Conduct includes content from these rules. Both the

Whistleblowing Rules and Anti-Corruption Rules are approved by the Head of Group Legal, and the Group Compliance Officer is responsible for the implementation of the rules.

In a company-wide anti-corruption risk assessment completed by the end of 2024, the functions most vulnerable to corruption and bribery were identified. Corruption risks for Tietoevry are often linked to roles with significant decision-making authority, where individuals influence contracts and key business relationships, particularly in high-value transactions and negotiations. In addition, functions that have access to confidential or sensitive information of a strategic, financial or technical nature regarding Tietoevry or third parties are at risk of corruption due to the potential misuse of such information for private gain. The functions identified as being at-risk include sourcing, delivery and sales, Human Resources, Travel Desk, security, Business Development, GEM, Communications and Brand, Finance and Accounting, and Project Management. In 2025, Tietoevry will begin tracking the completion rates of anti-corruption e-learning for at-risk functions. While the company has not yet measured the percentage of these functions covered by training, it plans to do so in 2025. Consequently, this data is not available for the 2024 reporting period.

Whistleblowing and reporting mechanism

Compliance concerns can be reported by all employees and hired personnel within the group, in all countries and subsidiaries. It is considered an entitlement and an obligation to notify the company when misconduct is suspected. Reports can be made through the Whistleblowing Channel or to designated points of contact within the group's legal entities. All reports are handled confidentially, and whistleblowers can remain anonymous. The Whistleblowing Channel can also be accessed and used by external parties such as customers, suppliers, business partners, and others. Whistleblowing awareness is incorporated into the mandatory annual Code of Conduct e-learning, and the reporting process is clearly outlined in the Whistleblowing Rules. Employee awareness and trust in grievance and remediation processes are indirectly monitored through annual reporting rates and the proportion of anonymous cases. However, the company has not conducted formal evaluations in 2024 to assess whether employees are truly aware of and trust these processes for raising concerns. The company has procedures in place to ensure timely responses to business conduct incidents, including cases of corruption and bribery. Reports to the Whistleblowing Unit are addressed within four working days and are provided with follow-up updates within three months. All involved parties are given the opportunity to provide input, ensuring a fair process.Tietoevry's whistleblowing process is operated by the Group Compliance Officer, who ensures that all reports are securely logged and accessible only to authorized personnel. The Group Compliance Officer evaluates each report and determines whether further investigation is needed, potentially escalating cases to the Escalation Committee.

Protection from retaliation is central to the whistleblowing process, and whistleblowers are encouraged to report to the Whistleblowing Unit any negative consequences of speaking up. Protection of whistleblowers is monitored continuously by the Whistleblowing Unit and reported to the ARC on a six-monthly basis. In 2024, no allegations of retaliation were reported by whistleblowers. Tietoevry's whistleblowing system meets legal requirements, including the EU Directive (2019/1937). The whistleblowing system operates independently of regular management and can escalate severe cases to senior leadership, such as the CEO or the ARC. Reports and serious cases are periodically reviewed by the ARC to ensure transparency and accountability.

The Whistleblowing Rules outline Tietoevry's commitment to ensure that individuals reporting concerns in good faith are protected from any form of retaliation. This protection extends to both formal actions, such as dismissal, and informal ones, such as unfavourable treatment or bullying. The Group Compliance Officer is responsible for preventing retaliation and ensuring a fair investigation process.

In addition to the procedures for handling whistleblower reports, Tietoevry ensures follow-up of business conduct incidents. Reported concerns related to business ethics and compliance, including potential misconduct, are assessed and investigated based on their nature and severity. Investigations are conducted in accordance with internal guidelines and may involve relevant functions such as Legal, Compliance, HR, or external experts when necessary. Findings from these investigations contribute to corrective actions, policy improvements, and risk mitigation measures to uphold ethical business practices.

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

The Code of Conduct and the Anti-Corruption Rules set out the rules related to Anti-Bribery and Corruption (ABC) at Tietoevry. Corporate processes like the Know Your Counterparty Rules further help to prevent misconduct and establish a robust legal and compliance framework, reinforcing Tietoevry's efforts against corruption and bribery. Prevention and detection of incidents are achieved through training and awareness building among employees and representatives, while internal controls in finance processes prevent illegal or fictitious transactions from being carried out. Allegations of corruption and bribery are always investigated in accordance with the Whistleblowing Rules.

The Group Whistleblowing Unit and Escalation Committee operate independently from line and financial process management, ensuring objectivity. Investigation outcomes are reported to the ARC biannually, or as required by the Whistleblowing Rules.

ABC policies are communicated through Tietoevry's Code of Conduct e-learning, and specific ABC training modules are available on the company's learning management platform. All employees, including members of administrative, supervisory, and management bodies, must complete the Code of Conduct e-learning annually. It covers anti-corruption and anti-bribery topics, outlining principles and providing guidance on the assessment of business-related gifts and hospitality.

In 2024, there were zero confirmed incidents of corruption or bribery.

Metrics and Targets

Targets related to business conduct (ESRS 2 MDR-T)

Material topic	Type of IRO related to target	Target	Result 2024	Result 2023	Result 2022
Corporate culture, Corruption and bribery (prevention and detection)	Actual positive impact	100% of employees completed the annual Code of Conduct e-learning	96%	96%	96%
Corruption and bribery (incidents)	Potential negative	Zero incidents of corruption detected by the Whistleblowing Unit (new target FY2024)	0	N/A	N/A

Tietoevry methodology for setting targets through combining benchmarking, legislative review, and employee needs assessments. Input from internal surveys, compliance reports and international standards ensures goals are practical and relevant. Employees and management contribute through consultations, while cross-functional teams from Strategy, HR, Finance, and Group Sustainability provide insights. Final targets, approved by GEM reflect past performance and align with organizational and workforce needs.

The targets received final approval from Group Executive Management, and no assumptions were made while defining them. The targets are aligned with the objectives of several policies and rules, including Tietoevry's Code of Conduct, the Anti-Corruption Rules as well as the company's Whistleblowing Rules.

Completion of the Code of Conduct e-learning is tracked through Tietoevry's learning management system (LMS). This target assumes full employee participation and availability of e-learning resources for all eligible learners along with accurate tracking of progress to maintain engagement. The target is monitored on both an annual and quarterly basis. For the quarterly reports, the results are broken down by business, enabling more focused monitoring and follow-up actions. It is assumed that employees who complete the Code of Conduct e-learning are more likely to detect corruption or bribery and to prevent it from taking place. All entities within Tietoevry Group are included in the scope of the 100% annual completion target for the Code of Conduct e-learning, except for the subsidiary Bekk, which operates fully as a portfolio company. The base year for this target is 2019 with a baseline value of 90% completion rate. The target is annual and it was adjusted during 2024 from a completion level of 90% to a completion level of 100%, to reflect the fact that completion of the e-learning is mandatory for all Tietoevry's employees.

Tietoevry's target of 'Zero incidents of corruption detected by the Whistleblowing Unit' is supported by internal controls, audits, self-reporting mechanisms (including the whistleblowing channel), and compliance monitoring. Investigations are promptly initiated when concerns or allegations arise. This target relies on the effectiveness, trust, and awareness of existing processes to detect corruption risks. Progress is continuously tracked using data from relevant internal sources and monitored by the Whistleblowing Unit. The target has 2024 as the base year and its baseline value is zero.

Both targets were approved in early 2024. Measurements of the targets are not validated by any external body except for the assurance providers and no milestones or interim targets have been set.

Relevant and verifiable targets relating to the material topic of protection of whistleblowers will be explored during 2025. Effectiveness of policies and actions related to the protection of whistleblowers from detrimental conduct is tracked by the Whistleblowing Unit, which monitors allegations of retaliation. In cases where there is an enhanced risk of retaliation, risk mitigation actions are considered and implemented to the extent needed. Detrimental conduct towards whistleblowers is prohibited in accordance with the Code of Conduct. The company has zero tolerance for such conduct and a corresponding zero incident target.

Progress toward the 100% completion rate for the Code of Conduct e-learning fell slightly short of initial plans, with a 96% completion rate for the reporting year. This outcome may be attributed to the expanded scope, which included more entities than in previous years. Despite the broader scope, maintaining a 96% completion rate indicates a positive trend, suggesting continued improvement in the coming years.

The company maintains a zero-tolerance policy on corruption, and the results for the reporting year are satisfactory. As a multinational company with a global presence, operations carry an inherent risk of corruption and bribery. Therefore, continuous efforts are required to prevent, detect, and potentially investigate suspected corruption cases.

Incidents of corruption and bribery (G1-4)

During 2024, Tietoevry had zero convictions for violation of anti-corruption or bribery and paid no fines as a result. As a result, the company has not taken any actions to provide for and cooperate in or support the provision of remedy related to corruption and bribery during the year. However, one alleged corruption case related to the company remained open during the year. The case was first reported in 2018 and involved a former Tietoevry employee who was convicted in Belarus for bribing a public official. This led to charges in 2020 against Tietoevry Banking Latvia SIA (formerly SIA Tieto Latvia) for lack of internal controls and tax evasion. The case is still subject to court proceedings in the Riga District Court. Tietoevry denies the charges and continues to defend its position.

Actions

Actions and resources related to business conduct (ESRS 2 MDR-A)

In response to Tietoevry's material topics, the actions listed below were carried out during the reporting year to prevent or mitigate negative impacts, and further strengthen the company's actual positive impacts. The scope of the key actions mainly applies to Tietoevry's employees and other stakeholders covered by the company's Code of Conduct.

- Completion of an anti-corruption risk assessment to identify inherent risks and relevant mitigating actions for securing effective compliance within Tietoevry. The risk assessment also determined which functions in the company are most at risk regarding corruption
- The Code of Conduct e-learning has been promoted through campaigns on the company's internal communication and engagement platform to boost employees uptake of the training

The actions outlined below are scheduled for implementation and completion in 2025:

- With the purpose of increasing the share of employees who feel safe speaking up, develop an information kit about the process of reporting a complaint to further raise awareness across the organization
- Internal campaign on how to behave and treat colleagues in line with the defined corporate culture

In 2023, activities supporting business conduct and corporate culture included several initiatives. These comprised mandatory annual training for all employees on Tietoevry's Code of Conduct, achieving a completion rate of 96% for the year. A global internal awareness session was conducted to foster dialogue on ethics among employees. Efforts also included the implementation and follow-up of the Know Your Counterpart Rule and the Anti-Money Laundering Rule, as well as ongoing awareness sessions and training to reinforce Tietoevry's compliance culture through reviews of third-party management practices. Additionally, customer teams received training on tools and processes related to business ethics.

Tietoevry's action plans for the material topics related to G1 - Business Conduct did not involve significant operational (Opex) or capital (Capex) expenditures during the 2024 financial year. Additionally, no future financial resources (Opex or Capex) have been allocated to future action plans at this time.

Entity specific topics

Cybersecurity

Strategy

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

Tietoevry's commitment to delivering high-quality, secure services and products is essential for meeting customer needs and driving the company's performance. This, together with a growing demand for secure software and services, creates a material financial opportunity for Tietoevry to generate revenue by offering solutions that ensure data security. By investing in preventive measures, efficient continuity planning, incident management and crisis management, Tietoevry can enhance its reputation and customer trust while minimizing the impact of potential incidents.

Cybersecurity also constitutes a material risk for Tietoevry. The increasing sophistication of cyberattacks poses a significant risk, including potential loss of data and damage to services. This can lead to negative financial and reputational impacts. In addition, upcoming security regulations may impact service and product development processes, potentially increasing the costs associated with ensuring data security.

Following a ransomware attack on a Swedish data centre in early 2024, Tietoevry conducted a double materiality reassessment of cybersecurity. While the company had already identified cybersecurity as both an opportunity and a risk, the assessment also highlighted it as a material potential negative impact due to the increasing complexity of cybersecurity threats and potential impacts from any attacks. Read more in SMB-3, table 'Current financial effects of material risks and opportunities'.

Impact, risk and opportunity management

Policies related to Cybersecurity (ESRS 2 MDR-P)

Tietoevry's Security Policy is aligned with the International Organization for Standardization (ISO), the International Electrotechnical Commission (IEC), specifically with ISO 27001:2022, and with industry best practices like the Information Security Forum's Standard of Good Practice for Information Security (SOGP). The purpose of the Security Policy, which also serves as the information security and cybersecurity policy, is to specify the overall approach to protecting information assets, infrastructure and resources against unauthorized access, disclosure, alteration and destruction with a risk-based approach and in adherence with internal and external requirements.

As a trusted service provider of business-critical services to its customers and society, the company's security and safety measures must be an integral part of all of its services, products and processes. Through the implementation of the company's Security Policy, security governance is implemented, maintained and continually improved. Based on policy, the company's security controls are detailed and documented in the Statement of Applicability (SoA) and appropriate security controls are implemented into Tietoevry's business services and applications. Based on the policy, related rules and processes, the company's security principles and responsibilities are outlined, including the responsibility for all employees, partners and subcontractors to act in a security-conscious manner and report any suspected security incidents that come to their attention.

The policy is reviewed annually and approved by the CFO and CEO. The Chief Information Officer (CIO) oversees the approval process, while the Chief Information Security Officer (CISO) is primarily responsible for implementing the policy and related rules across the organization. The policy applies to all employees and operations, and includes guidelines for partners, suppliers and subcontractors involved in delivering Tietoevry's services and products.

Stakeholder interests are considered when setting and revising the Security Policy and related rules, ensuring alignment with business needs and upcoming changes in legal, regulatory, customer and compliance requirements. Stakeholder considerations implemented during the latest policy review included enhancements to security requirements, such as aligning with new controls, addressing customer, client and regulatory demands, incorporating key monitoring controls, introducing additional measures for cloud environments, and ensuring compliance with legislative mandates.

Tietoevry's Security Policy is accessible to all employees via the company's intranet. To ensure awareness, all employees complete mandatory annual training covering the policy's content, including cybersecurity expectations. In addition, Tietoevry also hosted a Cybersecurity Awareness Month during 2024, providing employees with topical learning opportunities and webinars, and cybersecurity briefing sessions for customers seeking insights into current threats.

Actions

Taking actions on material impacts, risks and opportunities (ESRS 2 MDR-A)

At Tietoevry, security is an essential part of delivering on the company's business objectives. Secure processes and compliance with internal and external security requirements are prerequisites for delivering high quality and contributing to the societies Tietoevry operates in. This includes building customer trust, improving product and service quality, enabling new business opportunities, managing security risks, achieving compliance, reducing disruptions and minimizing costs.

In response to Tietoevry's material risks and opportunities related to cybersecurity and its potential negative impacts, the actions listed below were carried out during the reporting year to prevent or mitigate potential negative impacts, pursue opportunities and mitigate risks. The scope of the key actions mainly applied to Tietoevry's employees and other stakeholders covered by the company's Security Policy:

- Cybersecurity awareness activities in various parts of the company regularly highlighted Security e-learning as a means to achieve a better security posture and to support the achievement of a 100% completion rate
- The Security e-learning has been promoted through campaigns on the company's internal communication and engagement platform to support the achievement of a 100% completion rate

Additionally in 2024, Tietoevry updated its security framework – which includes policies, rules and guidelines – to align with and transition to the latest ISO 27001:2022 standard. Other activities included continued incorporation of risk-based security controls in offerings, products and services, and ensuring that the physical environment for employees is secure and safeguards company and customer assets. Tietoevry also continued to strengthen business resilience, i.e. enhancing the ability to manage and recover from business disruptions and security incidents. The implementation of security management is monitored by a governing group, with regular reviews of policies and actionable items overseen by the CISO and by external auditors.

In 2023, activities supporting improved security posture and culture included several initiatives. These comprised mandatory annual Security e-learning for all employees, achieving a completion rate of 99.9% for the year. In order to transition to the newer ISO27001:2022 standard and to capture updated security requirements from customer perspectives, legal and regulatory changes, stakeholders were involved to provide their inputs. Additionally, to establish priorities for security domains to be improved, security maturity assessments based on SOGP from the Information Security Forum (ISF) were performed across Tietoevry.

Tietoevry's action plan for the material topic of Cybersecurity did not involve significant operational (Opex) or capital (Capex) expenditures during the 2024 financial year. Additionally, no future financial resources (Capex and Opex) have been allocated to future action plans at this time.

Metrics and targets

Targets related to Cybersecurity (ESRS 2 MDR-T)

Material topic	Type of IRO related to target	Target	Result 2024	Result 2023	Result 2022
Cybersecurity	Risk and opportunity	100% of employees completed the annual Security e-learning	97 %	100%	100%

Tietoevry's annual cybersecurity target is to achieve 100% completion of its security e-learning for all employees. The e-learning programme is based on the company's Security Policy and Rules, which demonstrate Tietoevry's commitment to being a trusted service provider while strengthening safety, compliance and business resilience. This approach helps to mitigate risks posed by data breaches and cyberattacks, strengthens the company's resilience, and demonstrates a commitment to security. This commitment can be seen as a key differentiator for customers who prioritize data protection in their business decisions.

The target is annual and it was adjusted during 2024 from a completion level of 90% to a completion level of 100%, to reflect the fact that completion of the training is mandatory for all Tietoevry employees. The base year for the target is 2020, with a baseline value of 90%. The target is followed up on a quarterly basis, with performance shared and reviewed by each of the company's businesses and at Group level. An assurance provider is the only type of external body that has provided validation of the target and no milestones or interim targets have been set.

Tietoevry's cybersecurity target was set using the same methodology and process outlined in previous sections, including stakeholder engagement. The final target was then approved by GEM.

Tietoevry Group is included in the scope of the 100% annual completion target for the Security e-learning programme, with the exception of the subsidiary Bekk, which operates fully as a portfolio company.

The Security e-learning results are below target and can be considered unsatisfactory. While last year's completion rate was 99.93%, this year's rate is lower, reflecting a declining trend. This may be attributed to the expanded scope, as one subsidiary excluded in 2023 was included in this year's results.

Responsible AI

Strategy

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

Responsible AI provides Tietoevry with the opportunity to lead in innovation and trust, but requires careful management of risks related to bias, privacy and ethics. Responsible AI has thus been identified as a material opportunity, as well as a potential positive and negative impact for Tietoevry.

Opportunities include positioning Tietoevry as a leader in ethical AI, attracting customers and building trust with stakeholders. Responsible AI can also drive the development of new services that address societal challenges. Potential positive impacts include automating tasks, improving productivity, reducing costs, enhancing personalization and enabling new offerings in data analytics and automation, while also helping to solve societal issues. On the other hand, potential negative impacts involve risks of bias and discrimination in AI systems, misuse of data leading to privacy violations and regulatory issues, ethical concerns from stakeholders, and workforce changes due to AI automation, which could result in employee dissatisfaction.

Impacts risk and opportunity management

Policies related to Responsible AI (ESRS 2 MDR-P)

Tietoevry is committed to developing and implementing AI solutions that are meaningful, valuable, human-centred, reliable, accountable, fair and secure. This commitment is formalized through several key policies, including Tietoevry's AI Policy,Code of Conduct and Human Rights Policy.

Tietoevry's AI Policy sets the company's framework for responsible use of Artificial Intelligence (AI), covering the scope, objectives, methodology and effectiveness of ensuring ethical AI governance. The policy applies to all AI-related activities, including machine learning, natural language processing and automation of human tasks, both for internal and external products and services. The purpose of the policy is to promote responsible production and consumption of AI technologies, with the aim of maximizing AI's benefits while minimizing risks to individuals, businesses and society.

Key contents of the policy include increasing awareness of AI governance requirements, facilitating access to preferred AI technologies for innovation and ensuring ethical AI practices through well-documented principles. It further aims to proactively foster a responsible organizational culture and promote transparent communication with employees, customers and partners regarding AI ethics, risks and responsibilities.

The policy is aligned with regulatory standards, such as the EU AI Act, and is continuously updated to reflect changes in regulations and best practices. It involves cross-functional input from key stakeholders, including Legal, Security and the businesses, ensuring that all necessary perspectives are considered.

The policy is approved by the CIO and implemented by the CISO, with both being accountable for the policy's execution. It is integrated into Tietoevry's management systems for continuous monitoring, feedback and improvement. As part of Tietoevry's commitment to Responsible AI, the company reviews the policy on an annual basis to ensure it remains effective and aligned with evolving regulations and stakeholder feedback. The commitments outlined in the policy are communicated both internally and externally to ensure all employees and external partners are informed. Internal training materials, information pieces on the company's intranet and interactive sessions are provided to educate employees on the company's approach to the responsible use and deployment of AI.

Actions

Taking action on material impacts, risks and opportunities (ESRS 2 MDR-A)

In 2024, Tietoevry advanced its commitment to responsible and ethical AI usage by implementing a mandatory Responsible AI e-learning course for all employees and subcontractors, aligned with its updated AI Policy and Rules. The company also developed informational materials and guidelines on AI Dos and Don'ts to educate employees and external stakeholders on responsible AI practices, enhancing overall awareness.

Additionally, the company established a comprehensive Responsible AI governance framework, including updated policies, rules, guidelines and a governance structure to align implementation with all businesses. This framework is designed to oversee the development, deployment and use of AI technologies, ensuring they are applied responsibly and ethically while mitigating potential risks associated with AI systems.

As part of its commitment to Responsible AI and to ensure compliance with the EU AI Act and other relevant regulations, Tietoevry launched the Shell Strong project in 2024. Throughout the reporting year, the project concentrated on identifying a portfolio of external offerings and internal services across the organization that would require AI compliance checks. Initially, the focus has been on evaluating compliance with respect to prohibited AI systems and high-risk AI solutions. The Shell Strong project further explored offerings and IT services by categorizing them according to risk levels defined by the EU AI Act and implementing comprehensive compliance controls. This included developing risk-based AI compliance measures for Tietoevry's portfolio and establishing AI governance to monitor business offerings and internal systems. The project also evaluated suppliers to identify risk-free Gen AI-based providers and internal tools for Tietoevry's services and employees. Implementation will proceed in phases over the next 18 months, building foundational capabilities to ensure a coordinated rollout in alignment with legal and regulatory requirements.

As Responsible AI is a new focus area for Tietoevry, the company cannot report on progress from actions or plans disclosed in previous periods.

If Tietoevry identifies actions that have caused or contributed to a material negative impact, immediate and appropriate steps are taken to address the issue. The company's remediation approach is outlined in the Human Resources Policy and the Human Rights Policy. In cases where Tietoevry is obligated to offer or participate in providing remedy, each situation is handled individually on a case-by-case basis.

Tietoevry's action plan for the material topics related to Responsible AI did not involve significant operational (Opex) or capital (Capex) expenditures during the 2024 financial year. Additionally, no future financial resources (Capex and Opex) have been allocated to future action plans at this time.

Metrics and targets

Targets related to Responsible AI (ESRS 2 MDR-T)

Material topic	Type of IRO related to target	Target	Result 2024
Responsible AI	Opportunity, potential negative and potential positive impact.	100% of employees completed the annual Responsible AI e-learning (new target FY2024)	97 %

Tietoevry followed its established target-setting methodology, as detailed above in the sections on the target setting for Responsible AI, while considering the requirements of the EU AI Act. The target received approval from Group Executive Management, and no assumptions were made during its definition.

Tietoevry has one external target related to Responsible AI, which is the annual target of having 100% of its employees complete the company's Responsible AI e-learning on a yearly basis. The target was implemented during 2024 and no changes to the target have been made during the year. Performance against the target is shared and reviewed once a year by each of the company's businesses, as well as on a Group level. The base year for this target is 2024. No milestones or interim targets have been set, and target measurements are validated only by assurance providers.

Tietoevry's target related to Responsible AI is aligned with the company's AI Policy and the company's commitment to responsible production and consumption of AI. In summary, this target helps Tietoevry harness the potential of Responsible AI while addressing risks, ensuring compliance and capitalizing on new business opportunities in the AI space.

All entities within the Tietoevry Group are included in the scope of the 100% annual completion target for the Responsible AI e-learning programme, with the exception of the subsidiary Bekk, which operates fully as a portfolio company.

The launch of the Responsible AI e-learning programme represents progress, with Tietoevry achieving good initial results. However, the 100% target has not been met, leaving the final outcome misaligned with the company's initial plans. As this is the first year of implementation, trends or changes cannot yet be evaluated.

Appendices

Disclosure of list of ESRS Disclosure Requirements complied with in preparing Sustainability Statement following outcome of materiality assessment (ESRS 2 IRO-2)

	ESRS 2 - General Disclosures	Page reference
BP-1	General basis for preparation of the Sustainability Statement	75
BP-2	Disclosures in relation to specific circumstances	75
GOV-1	The role of the administrative, management and supervisory bodies	77
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	78
GOV-3	Integration of sustainability-related performance in incentive schemes	78
GOV-4	Statement of due diligence	78
GOV-5	Risk management and internal controls over sustainability reporting	79
SBM-1	Strategy, business model and value chain	80
SBM-2	Interests and view of stakeholders	85
SMB-3	Material impacts, risks and opportunities and their interaction with strategy and business model	87
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	93
IRO-2	Disclosure Requirements in ESRS covered by the undertaking's Sustainability Statement	96

	ESRS E1 - Climate change	
E1-1	Transition plan for climate change mitigation	105
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	106
ESRS 2 IRO-1	Description of the process to identify and assess material climate-related impacts, risks and opportunities	93
E1-2	Policies related to climate change mitigation and adaption	106
E1-3	Actions and resources in relation to climate change policies	106
E1-4	Targets related to climate change mitigation or adaptation	108
E1-5	Energy consumption and mix	109
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	110
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	112
E1-8	Internal carbon pricing	112
	ESRS E2 - Pollution	
IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	93
	ESRS E3 - Water and marine resources	
IRO-1	Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	93
	ESRS E4 - Biodiversity and ecosystems	
IRO-1	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	93
	ESRS E5 - Resource use and circular economy	
ESRS 2 IRO-1	Description of the process to identify and assess material resource use and circular economy-related impacts, risks and opportunities	113
E5-1	Policies related to resource use and circular economy	113
E5-2	Actions and resources related to resource use and circular economy	113
E5-3	Targets related to resource use and circular economy	114

Appendix B: List of datapoints in cross-cutting and topical standards that derive from other EU legislation (ESRS 2 IRO-2)

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Comments/Location in Sustainability Statement
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Article 1		Commission Delegated Regulation (EU) 2020/1816 Annex II		GOV-1
ESRS GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU 2020/1816, Annex II		GOV-1
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 13 of Table #1 of Article 1				GOV-4
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/245328 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		SBM-1
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		SBM-1
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12 (1) Delegated Regulation (EU 2020/1816, Annex II		SBM-1
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		SBM-1
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14			Regulation (EU) 2021/1119, Article 2(1)		E1-1
ESRS E1-1 Undertaking is excluded from Paris-aligned Benchmarks 16 (g)		Article 449a Regulation (EU) No575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g) and Article 12.2		E1-1
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		E1-4

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Comments/Location in Sustainability Statement
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				Not material
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				E1-5
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				Not material
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		E1-6
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		E1-6
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	E1-7
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66		Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II			Phase-in, not reported for FY2024
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk.			Phase-in, not reported for FY2024
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013;Commission Implementing Regulation (EU) 2022/2453 paragraph 34;Template 2: Banking book – Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral			Phase-in, not reported for FY2024
ESRS E1-9 Degree of exposure of the portfolio to climate related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Phase-in, not reported for FY2024

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Comments/Location in Sustainability Statement
ESRS E2-4 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, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Not material
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				Not material
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				Not material
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				Not material
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Not material
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Not material
ESRS 2- IRO 1 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				IRO-1
ESRS 2- IRO 1 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				IRO-1
ESRS 2- IRO 1 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				IRO-1
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Not material
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Not material
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				Not material
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				Not material
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				Not material

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Comments/Location in Sustainability Statement
ESRS 2- SBM-3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				S1 SBM-3
ESRS 2- SBM-3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				S1 SBM-3
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				S1-1
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		S1-1
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				S1-1
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				S1-1
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				S1-3
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				Not material
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		S1-16
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				S1-16
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				S1-17

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Comments/Location in Sustainability Statement
ESRS S1-17 Non respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		S1-17
ESRS 2 - SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				S2 SBM-3
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				S2-1
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				S2-1
ESRS S2-1 Non respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		S2-1
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		S2-1
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				S2-4
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Not material
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				Not material

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Comments/Location in Sustainability Statement
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				S4-1
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		S4-1
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				S4-4
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				G1-1
ESRS G1-1 Protection of whistleblowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				G1-1
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		G1-4
ESRS G1-4 Standards of anti-corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				G1-4

Financial Statement

Financial Statements

This Financial Statements and Report by the Board of Directors 2024 in pdf format has been published voluntarily and is not an xHTML document compliant with the ESEF (European Single Electronic Format) regulation. Tietoevry's Financial Statements and Report by the Board of Directors 2024 in accordance with ESEF regulations are available at www.tietoevry.com/investors.

CONSOLIDATED FINANCIAL STATEMENTS (IFRS)

Income statement

EUR million	Note	2024	2023
Revenue	5, 6	2 802.6	2 851.4
Other operating income	7	16.0	22.2
Materials and services		-536.9	-567.2
Employee benefit expenses	10, 11, 12, 13	-1 566.3	-1 566.0
Depreciation and amortization	14, 15, 16	-162.2	-152.4
Impairment losses	14, 15, 16, 29	-201.5	-4.8
Other operating expenses	7	-322.7	-328.9
Share of results in joint ventures	29	0.9	1.3
Operating profit (EBIT)		**29.8**	**255.6**
Interest and other financial income	22	7.0	23.7
Interest and other financial expenses	22	-56.1	-61.7
Net foreign exchange gains/losses	22	-2.6	3.1
Profit/loss before taxes		**-21.8**	**220.8**
Income taxes	8	-41.0	-48.6
Net profit/loss for the financial year		**-62.8**	**172.2**
Net profit/loss for the financial year attributable to			
Owners of the Parent company		-62.8	172.2
Earnings per share attributable to owners of the Parent company, EUR per share	9		
Basic		-0.53	1.45
Diluted		-0.53	1.45

Notes are an integral part of these consolidated financial statements.

Statement of other comprehensive income

EUR million	Note	2024	2023
Net profit/loss for the financial year		-62.8	172.2
Items that may be reclassified subsequently to profit or loss			
Translation differences	26	-80.8	-99.8
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of the defined benefit plans	13	0.7	0.6
Income tax related to remeasurements	8	-0.3	-0.1
Total comprehensive income		**-143.1**	**72.9**
Total comprehensive income attributable to			
Owners of the Parent company		-143.1	72.9

Statement of financial position

Assets

EUR million	Note	31 Dec 2024	31 Dec 2023
Non-current assets			
Goodwill	14, 27	1 648.2	1 907.3
Other intangible assets	14, 27	313.8	339.6
Property, plant and equipment	15	82.2	88.8
Right-of-use assets	16	175.8	195.9
Interests in joint ventures	29	—	11.6
Deferred tax assets	8	5.4	11.8
Defined benefit plan assets	13	0.8	1.0
Other financial assets at amortized cost	23	14.7	15.1
Other financial assets at fair value[1)]	23, 24	12.3	16.1
Other non-current receivables	17	25.1	34.7
Total non-current assets		**2 278.4**	**2 621.9**
Current assets			
Inventories		7.1	8.6
Trade and other receivables[1)]	16, 17, 23	550.7	638.1
Financial assets at fair value	23, 24	13.7	17.5
Current tax assets		9.3	12.7
Cash and cash equivalents	25	195.1	219.6
Total current assets		**775.9**	**896.6**
Total assets		**3 054.3**	**3 518.4**

Notes are an integral part of these consolidated financial statements.

Equity and liabilities

EUR million	Note	31 Dec 2024	31 Dec 2023
Equity			
Share capital	26	76.6	76.6
Share premium and other reserves	26	38.5	39.4
Invested unrestricted equity reserve	26	1 203.5	1 203.5
Retained earnings	26	-20.5	293.0
Total equity		**1 298.1**	**1 612.3**
Non-current liabilities			
Loans	21, 23	569.6	539.5
Lease liabilities	16, 21, 23	142.6	161.4
Deferred tax liabilities	8	24.1	27.5
Provisions	18	2.6	2.5
Defined benefit obligations	13	26.1	26.5
Financial liabilities at fair value[1)]	23, 24	16.5	20.0
Other non-current liabilities	19	6.1	10.8
Total non-current liabilities		**787.6**	**788.4**
Current liabilities			
Trade and other payables[1)]	19, 23	545.4	616.0
Financial liabilities at fair value	23, 24	7.1	4.9
Current tax liabilities		10.1	20.0
Loans	21, 23	334.9	411.9
Lease liabilities	16, 21, 23	50.5	50.3
Provisions	18	20.7	14.6
Total current liabilities		**968.7**	**1 117.7**
Total equity and liabilities		**3 054.3**	**3 518.4**

[1)] Comparative information has been updated, see note 24.

Statement of cash flows

EUR million	Note	2024	2023
Cash flow from operating activities			
Net profit/loss for the financial year		-62.8	172.2
Adjustments			
Depreciation, amortization and impairment losses	14, 15, 16, 29	363.8	157.2
Profit/loss on sale of property, plant and equipment, and business operations		-4.6	-7.0
Share of results in joint ventures	29	-0.9	-1.3
Other adjustments		3.7	12.2
Net financial expenses	22	51.6	34.9
Income taxes	8	41.0	48.6
Change in net working capital			
Change in current receivables		81.3	-64.7
Change in current non-interest-bearing liabilities		-54.9	-30.5
Cash generated from operating activities before interests and taxes		**418.2**	**321.5**
Interests received		10.6	8.0
Interests paid		-42.7	-31.1
Other financial income received		25.1	20.6
Other financial expenses paid		-42.7	-26.6
Dividends received	29	1.0	1.3
Income taxes paid		-43.8	-27.7
Cash flow from operating activities		**325.7**	**266.1**

EUR million	Note	2024	2023
Cash flow from investing activities			
Acquisition of business operations, net of cash acquired	27, 29	-1.0	-156.3
Capital expenditure	14, 15	-85.6	-84.1
Disposal of business operations, net of cash disposed	27, 29	13.1	0.4
Proceeds from sale of property, plant and equipment		1.2	10.6
Change in loan receivables		0.4	0.1
Cash flow used in investing activities		**-71.8**	**-229.3**
Cash flow from financing activities			
Dividends paid		-174.2	-171.7
Repurchase of own shares		—	-9.8
Repayments of lease liabilities	16, 21	-56.6	-58.1
Proceeds from short-term borrowings	21	333.7	195.2
Repayments of short-term borrowings	21	-407.4	-131.3
Proceeds from long-term borrowings	21	350.0	214.0
Repayments of long-term borrowings	21	-320.8	-99.5
Cash flow used in financing activities		**-275.4**	**-61.2**
Change in cash and cash equivalents		**-21.5**	**-24.5**
Cash and cash equivalents at the beginning of period	25	219.6	249.7
Foreign exchange differences		-3.1	-5.5
Change in cash and cash equivalents		-21.5	-24.5
Cash and cash equivalents at the end of period		**195.1**	**219.6**

Notes are an integral part of these consolidated financial statements.

Statement of changes in shareholders' equity

		Owners of the Parent company						
EUR million	**Note**	**Share capital**	**Share premium and other reserves**	**Own shares**	**Cumulative translation differences**	**Invested unrestricted equity reserve**	**Retained earnings**	**Total equity**
1 Jan 2024		**76.6**	**39.4**	**-1.1**	**-276.8**	**1 203.5**	**570.9**	**1 612.3**
Comprehensive income								
Net loss for the period		—	—	—	—	—	-62.8	-62.8
Other comprehensive income, net of tax								
Remeasurements of the defined benefit plans, net of tax	13	—	—	—	—	—	0.4	0.4
Translation differences		—	-0.8	—	-70.9	—	-9.1	-80.8
Total comprehensive income		**—**	**-0.8**	**—**	**-70.9**	**—**	**-71.4**	**-143.1**
Transactions with owners								
Contributions and distributions								
Share-based incentive plans	12	—	—	—	—	—	3.0	3.0
Dividends	26	—	—	—	—	—	-174.2	-174.2
Total transactions with owners		**—**	**—**	**—**	**—**	**—**	**-171.1**	**-171.1**
31 Dec 2024		**76.6**	**38.5**	**-1.1**	**-347.8**	**1 203.5**	**328.4**	**1 298.1**

		Owners of the Parent company						
EUR million	Note	Share capital	Share premium and other reserves	Own shares	Cumulative translation differences	Invested unrestricted equity reserve	Retained earnings	Total equity
1 Jan 2023		**76.6**	**39.3**	**-0.3**	**-193.5**	**1 203.5**	**593.7**	**1 719.2**
Comprehensive income								
Net profit for the financial year		—	—	—	—	—	172.2	172.2
Other comprehensive income, net of tax								
Remeasurements of the defined benefit plans, net of tax	13	—	—	—	—	—	0.5	0.5
Translation differences		—	0.1	—	-83.3	—	-16.5	-99.8
Total comprehensive income		**—**	**0.1**	**—**	**-83.3**	**—**	**156.1**	**72.9**
Transactions with owners								
Contributions and distributions								
Share-based incentive plans	12	—	—	9.0	—	—	-7.3	1.7
Dividends	26	—	—	—	—	—	-171.7	-171.7
Repurchase of own shares	26	—	—	-9.8	—	—	—	-9.8
Total transactions with owners		**—**	**—**	**-0.8**	**—**	**—**	**-179.0**	**-179.7**
31 Dec 2023		**76.6**	**39.4**	**-1.1**	**-276.8**	**1 203.5**	**570.9**	**1 612.3**

Notes are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

BASIS OF PREPARATION

The accounting policies applied to the consolidated financial statements as a whole are described below. A more detailed description of accounting policies and significant estimates related to specific disclosures are presented in conjunction with each note with the aim of providing an understanding of each accounting area.

1. Corporate information

Tietoevry Corporation (business identity code 0101138-5) is a Finnish public limited liability company organized under the laws of Finland. It is domiciled in Espoo and the address of the Group head office is Keilalahdentie 2-4, 02101 Espoo, Finland. The company's shares are listed on NASDAQ in Helsinki and Stockholm and the Oslo Børs.

Tietoevry is a leading Nordic digital services and software company that employs around 23 000 experts globally. Tietoevry serves thousands of enterprise and public sector customers in around 90 countries. The company's services comprise software, data and digital engineering as well as managed services and transformation, and related capabilities to support customers' business renewal, innovation and efficient operations. Tietoevry's role varies from consulting and advisory, designing and building solutions to running IT operations.

The Board of Directors approved these consolidated financial statements on 3 March 2025. According to the Limited Liability Companies Act, the shareholders have the right at the Annual General Meeting to either approve, amend or reject the consolidated financial statements after the publication.

2. Material accounting policy information

These consolidated financial statements of Tietoevry have been prepared in accordance with International Financial Reporting Standards (IFRS) Accounting Standards as adopted by the European Union. The financial statements also comply with Finnish accounting principles and corporate legislation complementing IFRS accounting standards. The consolidated financial statements are presented in millions of euros and have been prepared under the historical cost convention, unless otherwise stated in these accounting policies. All figures presented have been rounded, and consequently the sum of individual figures can deviate from the presented sum figure. Key figures have been calculated using exact figures.

Consolidation principles

The consolidated financial statements include the Parent company Tietoevry Corporation and all subsidiaries over which the Parent company has directly or indirectly more than one half of the voting rights, or the Parent company is otherwise in control of the company ("the Group"). Control exists when the company is exposed to, or has rights to, variable returns from its involvement with the entity and can affect those returns through its power over the entity.

Subsidiaries are consolidated from the date on which control is achieved until the date on which control ceases by using the acquisition method. Intra-group receivables, payables and transactions including dividends and internal profit are eliminated on consolidation. When necessary, subsidiaries' accounting policies have been aligned to correspond to the Group's accounting policies. The profit or loss for the period and items of other comprehensive income are attributable to the equity holders of the parent company.

Foreign currency transactions

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in euros, which is the Parent company's functional and presentation currency.

Foreign currency transactions are translated into local functional currencies using the exchange rates prevailing on the transaction date. The foreign currency monetary items are translated using period-end exchange rates. The foreign currency non-monetary items held at fair value are translated into the functional currency using the exchange rate prevailing at the date when the fair value was determined or remeasured. Other non-monetary items are recognized at the exchange rate prevailing on the transaction date.

For internal, long-term loans to subsidiaries, when classified as net investment in foreign operation, all related unrealized foreign exchange gains and losses are recognized in profit or loss in the separate financial statements. In the consolidated financial statements, such exchange differences are recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the net investment.

Other foreign exchange gains and losses related to business operations are included in operating profit. Foreign exchange gains and losses associated with financing are recognized in finance income and expenses.

For Group entities whose functional and presentation currency is other than the euro, the income statements and statements of financial position are translated into the Group presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated using the exchange rates prevailing at the reporting date;
- income and expenses for each income statement are translated using the monthly average exchange rates;
- all resulting translation differences are recognized in other comprehensive income.

When a subsidiary is sold, any translation differences are recognized in the consolidated income statement as part of the gain or loss on the sale.

Goodwill and fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated into euro using the exchange rates prevailing at the reporting date. Translation differences arising are recognized in other comprehensive income.

3. Adoption of new and amended IFRS accounting standards and interpretations

The following amendments to IFRS accounting standards became effective on 1 January 2024. They have not had a material impact on the amounts reported or on the disclosures in these financial statements.

- Amendments to IAS 1 – Non-current Liabilities with Covenants
- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current
- Amendments to IAS 7 and IFRS 7 – Supplier Finance Arrangements
- Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback

New and revised IFRS accounting standards in issue but not yet effective

At the date of authorization of these financial statements, the Group has not applied the new and revised IFRS accounting standards that have been issued but are not yet effective. Management does not expect the adoption of these to have a material impact on the Group's financial statements in future reporting periods. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective and are endorsed by the EU.

4. Use of judgements and estimates

The preparation of the financial statements in accordance with IFRS accounting standards requires management to make estimates and assumptions that affect the amounts reported and disclosed at the reporting date. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from the estimates. In addition, management judgement is required in the application of accounting policies, especially when IFRS accounting standards permit alternative accounting, valuation and presentation methods.

Management believes that the following accounting principles represent those matters, where management judgement has the most significant effect on the amounts recognised or where a different estimate could result in a significant adjustment to reported carrying amounts within the next financial year. These are described in more detail in the related notes.

Accounting principle	Estimates made	Judgement applied	Note
Valuation of goodwill	X	X	14
Other intangible assets	X	X	14
Provisions	X		18
Deferred taxes	X		8

Further, management has considered the impact of climate change when preparing the consolidated financial statements. There has not been any material impact on judgements and estimates arising from those considerations. The main considerations were as follows:

- Note 14 Goodwill and other intangible assets, Note 15 Property, plant and equipment, and Note 16 Leases include disclosures describing the assets that form the basis for the activities of Tietoevry. Environmental considerations represent an implicit element when preparing projections of future business performance as inputs to the long-term plan and any other basis for asset valuations i.e. all matters that impact business performance including the valuations of assets, are considered by management.
- Note 18 Provisions – provisions comprise mainly restructuring and other employee related provisions, and contract-related provisions. The overall corporate risk management process uses input from all Group functions (including finance and sustainability teams) as well as the businesses. There is no impact from climate-change or any other environmental considerations on the provisions as at 31.12.2024.
- Note 12 Share-based payments provides a description of the long-term incentive plans including the environmental, social and governance (ESG) related targets e.g. gender diversity and CO2 reduction in the 2023-2025 and 2024–2026 plans.
- Note 20 Management of financial risks and capital structure – the Group's revolving credit facility is linked to selected sustainability targets of Tietoevry, see note 20.

PERFORMANCE FOR THE YEAR

This section comprises disclosures related to the performance of the Group, including segment information, revenue recognition, other operating income and expenses, as well as information on taxes and earnings per share.

5. Segment information

Tietoevry Group is comprised of five operating segments: Tietoevry Create, Tietoevry Banking, Tietoevry Care, Tietoevry Industry, and Tietoevry Tech Services.

ACCOUNTING POLICIES

The operating segments are reported in a manner consistent with the internal reporting provided to the Group Executive Management, which has been identified as Tietoevry's chief operating decision maker being responsible for allocating resources and assessing performance of the operating segments as well as deciding on strategy.

The Group Executive Management assesses the profitability of segments principally on the basis of adjusted operating profit (EBITA). Operating profit (EBIT) is, however, also an essential measure and is disclosed in this segment note as it is most consistent with the result reported in accordance with IFRS accounting standards. Transactions between the segments are made on a market-terms basis.

Eliminations include internal revenue between operating segments and Group function sales of internal services to the business. Non-allocated costs relate to Global management and Support functions and are shown separately in the operating profit (EBIT).

Tietoevry Create

Tietoevry Create is a leading accelerator for digital innovation and cloud-native development, providing business advisory and design, data engineering and specialized software R&D services across a range of industry sectors. It is a market-leading vendor in the Nordics and expanding in international markets. Tietoevry Create has competence centres in Europe, India, China and the Americas – they leverage their expertise and the latest technologies to support clients from nearly 20 countries.

Tietoevry Banking

Tietoevry Banking is modernizing the financial sector in the Nordics and globally with modular, pre-integrated Banking-as-a-Service and a full suite of market-leading, scalable software and services within domains such as payments, cards, wealth management, financial crime prevention and credit. Built by unmatched industry expertise, the solutions help accelerate growth through digital customer engagement, real-time operational efficiency and regulatory compliance.

Tietoevry Care

Tietoevry Care offers modular, open and interoperable software for customers in the health and social care sectors to enhance the care experience across the Nordics. Using advanced analytics and embedded AI, it provides decision support and process automation. Demand for software and services in healthcare segments such as hospitals, primary and secondary care, as well as elderly, home and family care is increasing rapidly on the back of the growing demand for better care outcomes, improved citizen experience, higher staff satisfaction and increased efficiency.

Tietoevry Industry

Tietoevry Industry provides industry-specific software and data platform services for customers looking to enhance their critical processes – with software increasingly delivered as a service. Product areas include software for case management, pulp & paper, education, and energy and utilities. Furthermore, data platform services deliver data in processes such as billing & invoicing and industry messaging. Tietoevry Industry has extensive industry knowledge and in-depth expertise in utilizing data to create insights and add value across core business and operational processes.

Tietoevry Tech Services

Tietoevry Tech Services is a Nordic multi-cloud platform provider with a full range of infrastructure choices at scale – aiming to ensure resilience, security and compliance for customers' business. Its business comprises application and data services, cloud platforms and security services, traditional Infrastructure services and user experience services. It drives enterprise-wide transformation for customers from modernizing existing IT infrastructure and the renewal of core business applications to next-generation services and data and AI services. Tietoevry Tech Services is the leading provider of managed services in the Nordics, and delivers services to customer operations in around 90 countries.

Disaggregation of revenue by segment

EUR million	2024	2023	Change %
Tietoevry Create	836.9	852.3	-2
Tietoevry Banking	580.4	567.2	2
Tietoevry Care	231.3	232.8	-1
Tietoevry Industry	263.7	262.6	0
Tietoevry Tech Services	1 000.7	1 072.7	-7
Eliminations	-110.4	-136.1	-19
Group total	**2 802.6**	**2 851.4**	**-2**

The comparative information for segment revenue and operating profit (EBIT) was recast to reflect minor changes between segments arising due to structural changes in 2024. Group totals remained unchanged.

Operating profit/loss and margin (EBIT) by segment

	Operating profit/loss (EBIT), EUR million	Operating profit (EBIT), EUR million		Operating margin (EBIT), %	Operating margin (EBIT), %
	2024	2023	Change %	2024	2023
Tietoevry Create	71.2	95.5	-25	8.5	11.2
Tietoevry Banking	44.8	42.9	5	7.7	7.6
Tietoevry Care	63.5	68.3	-7	27.5	29.3
Tietoevry Industry	30.5	36.9	-17	11.6	14.0
Tietoevry Tech Services	-139.4	51.9	> 100	-13.9	4.8
Non-allocated costs	-40.8	-39.8	2	—	—
Group total	**29.8**	**255.6**	**-88**	**1.1**	**9.0**

For more information, see Impairment losses and notes 7, 14 and 29.

Revenue by country

EUR million	2024	2023	Change %
Finland	650.4	644.2	1
Sweden	835.2	901.3	-7
Norway	938.3	948.6	-1
Other	378.7	357.2	6
Group total	**2 802.6**	**2 851.4**	**-2**

The distribution of revenue by country is based on the invoicing country. No single customer represents 10% or more of revenue.

Non-current assets by country

EUR million	31 Dec 2024	31 Dec 2023	Change %
Finland	110.3	110.9	-1
Sweden	100.7	110.7	-9
Norway	291.0	331.4	-12
Other	69.8	71.3	-2
Group total	**571.8**	**624.3**	**-8**

Non-current assets include property, plant and equipment, right of use assets and intangible assets excluding goodwill.

Personnel by segment

	End of period				Average	
	2024	2023	Change %	Share %	2024	2023
Tietoevry Create	8 831	9 618	-8	38	9 190	9 248
Tietoevry Banking	3 296	3 509	-6	14	3 421	3 518
Tietoevry Care[1)]	1 553	1 529	2	7	1 578	1 511
Tietoevry Industry	1 593	1 644	-3	7	1 610	1 666
Tietoevry Tech Services[1)]	7 073	7 283	-3	31	7 230	7 649
Group functions	594	576	3	3	565	589
Group total	**22 941**	**24 159**	**-5**	**100**	**23 593**	**24 181**

[1)] In 2024, personnel were transferred from Tietoevry Care to Tietoevry Tech Services and the comparative information was recast accordingly.

Personnel by country

	End of period				Average	
	2024	2023	Change %	Share %	2024	2023
Sweden	3 516	3 856	-9	15	3 702	3 980
Norway	3 731	3 922	-5	16	3 797	3 951
Finland	2 998	3 015	-1	13	3 034	3 101
India	4 131	4 308	-4	18	4 259	4 390
Czech Republic	2 315	2 381	-3	10	2 338	2 497
Ukraine	1 442	1 728	-17	6	1 551	1 835
Latvia	1 078	1 070	1	5	1 095	1 091
China	1 016	1 044	-3	4	1 031	1 053
Poland	911	839	9	4	864	833
Bulgaria	646	780	-17	3	717	350
Other	1 156	1 217	-5	5	1 205	1 100
Group total	**22 941**	**24 159**	**-5**	**100**	**23 593**	**24 181**
Onshore countries	10 787	11 370	-5	47	11 099	11 586
Offshore countries	12 153	12 789	-5	53	12 494	12 595
Group total	**22 941**	**24 159**	**-5**	**100**	**23 593**	**24 181**

Depreciation by segment

EUR million	2024	2023	Change %
Tietoevry Create	6.7	6.6	1
Tietoevry Banking	7.0	4.8	44
Tietoevry Care	1.1	1.0	12
Tietoevry Industry	0.8	0.7	13
Tietoevry Tech Services	48.5	44.6	9
Group functions[1)]	33.4	40.8	-18
Group total	**97.5**	**98.5**	**-1**

[1)] Includes depreciation of right-of-use assets relating to shared premises. In operating profit (EBIT), such costs are fully allocated to the operating segments.

Amortization on other intangible assets by segment

EUR million	2024	2023	Change %
Tietoevry Create	0.0	0.1	> 100
Tietoevry Banking	11.2	3.6	> 100
Tietoevry Care	2.6	2.5	6
Tietoevry Industry	0.1	0.2	-41
Tietoevry Tech Services	6.8	5.4	27
Group functions	0.1	0.3	-49
Group total	**21.0**	**12.0**	**74**

Amortization of acquisition-related intangible assets by segment

EUR million	2024	2023	Change %
Tietoevry Create	12.5	10.0	25
Tietoevry Banking	19.0	19.3	-1
Tietoevry Care	0.2	0.2	0
Tietoevry Industry	4.5	4.7	-5
Tietoevry Tech Services	7.6	7.7	-2
Group functions	—	—	—
Group total	**43.8**	**41.8**	**5**

Impairment losses

In 2024, as part of the annual impairment testing carried out in the fourth quarter, Tietoevry recorded a non-cash charge of EUR 200.0 million in impairment losses. The impairment loss related to the goodwill held in Tietoevry Tech Services, which reduced the carrying amount of its goodwill to EUR 233.6 million as at 31 December 2024. For more information, see note 14.

Further, Tietoevry Tech Services recognized an impairment loss of EUR 0.6 million on a right-of-use asset. Tietoevry Care recognized an impairment loss of EUR 0.6 million on capitalized development costs. Tietoevry Create bought the remaining 20% share of the joint venture Tieto Esy Oy, which resulted in an impairment loss of EUR 0.3 million.

In 2023, the Group recognized impairment losses on lease agreements for office and other facilities in Finland and Czech Republic totalling EUR 2.7 million. In addition, as a result of annual impairment testing, Tietoevry Create recognized a goodwill impairment loss of EUR 2.1 million for the carrying value of Tieto Esy Oy.

6. Revenue

The business models of the Group consist of continuous services, software solutions, projects and consulting. Revenue comprises the fair value for the sale of IT services and software licenses, net of discounts and exchange rate differences.

ACCOUNTING POLICIES

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes consideration collected on behalf of third parties. The Group recognizes revenue when it transfers control of a good or service to a customer.

The Group typically provides customers with a variety of comprehensive services. The individual service delivery contracts are often structured under a common frame contract where general terms for the service delivery to the customer are defined. The content of the delivery, performance obligations and pricing, are defined in the service delivery contracts. Management judgement is used to determine the basis for the revenue recognition; either an individual service delivery contract or a group of combined contracts.

Revenue from service contracts is based on service volumes or time and materials and the performance obligations are recognized over the accounting period in which the services are rendered or project is delivered. The services are generally satisfied and the control transferred to the customer over time given that either the customer simultaneously receives and consumes the benefits provided by the Group, or the Group’s performance does not create an asset with an alternative use for the Group, in which case there is an enforceable right to payment for work completed to date.

In the majority of the businesses providing continuous services, time and material projects and consulting, the performance obligations satisfied are invoiced on a monthly basis. At the time of invoicing, a receivable is recognized by the Group as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. The standard payment term is 30 days according to the Group’s Credit Policy.

Goods, typically distinct licenses, that provide a right to use the software, are invoiced on delivery. The license revenue is recognized at a point in time when the license is delivered, the legal title has passed, the customer has accepted the license and has access to the licensed software. Distinct licenses, that provide a right to access the software, are recognized over the contract period. Contract assets or liabilities do not typically arise in the businesses described above.

For contracts comprising fixed-price projects, revenue is recognized based on the actual service provided by the reporting date as a proportion of the total services to be provided. This is determined based on the cost of actual labour hours spent relative to the total expected cost of labour hours, as it best reflects the transfer of control to the customer. Estimates of revenues, costs or progress towards completion are revised if circumstances change and any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management. Invoicing and customer payments in the fixed-price projects follow the payment schedule defined in the customer contract. If the services rendered by the Group exceed the payment, a contract asset is recognized, and if the payments exceed the services rendered, a contract liability is recognized.

The customer contracts of the Group typically comprise several of the business models described above. The most appropriate presentation on how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors is considered to be the disaggregation of revenue by segment, presented in the segment information note 5.

Some contracts include delivery of hardware together with a variety of services from the Group. Hardware is usually provided by another service provider. The installation of hardware is simple, does not include an integration service from the Group and could be performed by another party. It is, therefore, accounted for as a separate performance obligation. In these contracts, Tietoevry acts as an agent, if the Group does not obtain control of the hardware provided by another party before it is transferred to the customer, or as a principal if control is obtained.

Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the stand-alone selling prices, which are observable from the contracts and represent prices for services rendered in similar circumstances to similar customers. Revenue from contracts granting a discount retrospectively to the customer is recognized based on the price specified in the contract, net of the estimated discounts. Discounts are estimated based on management's experience of earlier purchases of customers under similar contracts. This estimation is regularly updated during the contract period. Revenue is only recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

In settlement agreement cases, consideration paid to customers is reduced from revenue when a settlement agreement is signed with the customer. Consideration received from customers is recognized as revenue or other operating income depending on the facts and circumstances.

The Group grants assurance type of warranties which guarantee that the delivery complies with agreed specifications. These are accounted for in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

The Group does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. Consequently, the Group does not adjust any of the transaction prices for the time value of money.

The Group capitalizes material costs of set-up activities related to transition or implementation projects in the initial phase of continuous operating service contracts, when the criteria for capitalization according to IFRS 15 (costs to fulfil a contract) are met. Management judgement has been used when developing internal guidance on the tasks defined as set-up activities in the Group. The set-up activities do not result in the transfer of a promised good or service and are not identified as a performance obligation to the customer. The capitalized costs to fulfil a contract are amortized during the period when the revenue for the related continuous operating service contract is recognized.

Assets and liabilities related to contracts with customers

EUR million	Note	31 Dec 2024	31 Dec 2023	1 Jan 2023
Trade receivables	17	391.8	476.8	408.9
Contract assets	17	50.4	58.4	52.0
Contract liabilities, non-current	19	2.4	6.8	16.9
Contract liabilities, current	19	49.6	77.3	67.2

In 2023, increases due to acquisitions (see note 27) were EUR 7.9 million in trade receivables and EUR 0.1 million in contract liabilities.

Revenue recognised from the opening balance of contract liabilities was EUR 69.9 (60.3) million.

Order backlog

The transaction price allocated to all fully or partially unsatisfied performance obligations (order backlog) amounted to EUR 3 261 (3 236) million at the end of the year. Of the backlog, 52% is expected to be recognized as revenue during 2025. The order backlog includes all signed customer orders that have not been recognized as revenue, including estimates of the value of consumption-based contracts.

Assets recognized from costs to fulfil a contract

EUR million	2024	2023
Capitalized set-up costs on 31 Dec	2.6	5.8
Amortization of capitalized set-up costs	3.0	6.6

In the statement of financial position, capitalized set-up costs of EUR 0.8 (0.4) million are presented within other non-current receivables and the current portion of EUR 1.8 (5.4) million in trade and other receivables.

Customer contract settlements related to ransomware attack

In 2024, Tietoevry experienced a criminal ransomware attack in one of its data centres in Sweden. As a result, the Group recorded costs of approximately EUR 1.5 million, the majority of which relates to the restoration of services, and contractual service level agreement (SLA) penalties of approximately EUR 0.6 million as a reduction in revenue. Further, Tietoevry received claims for damages from customers which have been assessed based on legal and commercial considerations. The Group recorded EUR 7.6 million as a reduction in revenue, the majority of which relates to claims resolved by year-end. In parallel, the claims process is ongoing with the insurance provider and is expected to take several quarters to reach a conclusion.

7. Other operating income and expenses

Other operating income mainly relates to capital gains, foreign exchange gains on derivatives and government grants. Other operating expenses mainly relate to information and communication technology and premises related costs as well as professional services, such as consulting, and marketing. Costs related to shared platforms in infrastructure services are recognized in other operating expenses when they are not directly linked to any specific customer.

ACCOUNTING POLICIES

Government grants

Government grants are recognized as other operating income on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate.

Other operating income

EUR million	2024	2023
Gain on sale of property, plant and equipment, and business operations	4.6	7.1
Change in fair value of derivatives	3.3	7.2
Government grants	2.0	2.5
Rental income	0.7	1.0
Joint venture management fees	0.2	0.6
Other	5.2	3.9
Total	**16.0**	**22.2**

In 2024, Tietoevry Banking recognized a net gain of EUR 4.3 million on the sale of its share in a joint venture. For more information, see note 29.

In 2023, Tietoevry Tech Services completed a sale and partial leaseback transaction with the sale of a data centre and office building in Norway for total consideration of EUR 11.2 million. The net liability for the partial leaseback amounts to EUR 3.6 million. Tietoevry Tech Services recognized a net gain of EUR 6.0 million on the sale in other operating income.

Other operating expenses

EUR million	2024	2023
Information and communication technology	192.4	193.7
Premises related costs	41.3	44.6
Professional services and marketing	43.1	43.4
Other[1)]	45.9	47.2
Total	**322.7**	**328.9**

[1)] Other operating expenses include expenses related to travel, recruitment and insurance.

Fees to auditors

EUR million	2024	2023
Audit fees	1.6	1.6
Audit related	0.4	0.3
Tax advisory	0.0	0.0
Other services	0.3	0.3
Total	**2.3**	**2.1**

8. Income taxes

Income tax expenses comprise current and deferred tax. Deferred tax assets and liabilities charged by the same tax authority are netted and, therefore, shown net on the statement of financial position.

ACCOUNTING POLICIES

Tax expense for the period includes current taxes of the Group companies based on taxable profit for the year, together with tax adjustments for previous years and changes in deferred taxes. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case the related income tax is also recognized in other comprehensive income or directly in equity, respectively. The share of results in joint ventures is reported in the income statement based on the net result and thus, including the income tax effect.

Deferred tax is recognized, using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements as well as on tax loss carry forwards. Deferred tax is determined using the tax rates and laws which have been enacted or substantively enacted at the reporting date and are expected to apply when the deferred tax asset is realized or the deferred tax liability is settled. Deferred taxes are not recognized on temporary differences related to investments in subsidiaries to the extent that they will probably not be reversed in the foreseeable future.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. The deferred tax assets and liabilities arising from consolidation are recognized in the consolidated statement of financial position if it is probable that the related tax effects will occur.

ACCOUNTING ESTIMATES AND JUDGEMENTS

At each reporting date, management estimates the amount of probable future taxable profits against which unused tax losses can be utilized. As the actual profits may differ from the forecasts, the change will affect the taxes in future periods.

The group operates globally and is, therefore subject to changing tax laws in multiple jurisdictions. The interpretation of tax legislation requires management judgement, and the applied interpretations may include uncertainties.

Income tax expense in income statement

EUR million	2024	2023
Current taxes	38.5	40.4
Change of deferred taxes	2.7	11.2
Taxes for prior years	-0.2	-3.0
Total	**41.0**	**48.6**

Reconciliation of income tax expense

EUR million	2024	2023
Profit/loss before taxes	-21.8	220.8
Tax calculated at the domestic corporation tax rate of 20%	-4.4	44.2
Effect of different tax rates in foreign subsidiaries	0.8	2.8
Tax effect of non-deductible goodwill impairment	43.4	—
Tax effect of other non-deductible expenses and tax exempt income	0.7	1.3
Taxes for prior years	-0.2	-3.0
Deferred taxes from previous year	-0.8	0.1
Tax on foreign dividend distribution	2.0	4.6
Other items	-0.6	-1.4
Total	**41.0**	**48.6**
Effective tax rate, %	-187.8	22.0

Impact of OECD Pillar Two model rules

In December 2021, the Organisation for Economic Co-operation and Development (OECD) released the Pillar Two model rules (the Global Anti-Base Erosion model rules, or “GloBE”) to reform international corporate taxation. The relevant legislation has been effective from 1 January 2024 in Finland, and Tietoevry Corporation is within the scope of these rules.

Under the model rules, the Group is liable to pay top-up tax for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum tax rate. In the majority of the Group's tax jurisdictions, the tax rate is at or above the minimum level of 15% while the remaining jurisdictions meet the other Transitional Safe Harbour rules. Therefore the Group has no tax exposure related to Pillar Two. The Group applies the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two taxes, as provided in the amendment to IAS 12.

Movements in deferred tax assets and liabilities

EUR million	1 Jan 2024	Charged to income statement	Charged to other comprehensive income	Other changes	31 Dec 2024
Deferred tax asset					
Tax losses carried forward	23.6	-6.6	—	-0.9	16.1
Property, plant and equipment	16.6	-2.7	—	-6.8	7.0
Lease liabilities	40.1	-0.5	—	-0.3	39.3
Employee benefits	9.3	-0.2	0.0	-0.1	8.9
Provisions	1.6	1.2	—	0.0	2.8
Revenue recognition	3.6	-1.2	—	-0.2	2.3
Other temporary difference	1.2	2.5	—	0.0	3.7
Total gross	**96.1**	**-7.6**	**0.0**	**-8.3**	**80.1**
Offset against deferred tax liabilities	-84.2				-74.7
Total net	**11.8**				**5.4**
Deferred tax liability					
Intangible assets	42.8	-6.1	—	-0.7	36.0
Right-of-use assets	35.4	0.7	—	-0.2	36.0
Untaxed reserves	10.1	0.0	—	-0.3	9.8
Other temporary difference	23.5	0.5	-0.1	-6.8	17.0
Total gross	**111.7**	**-4.9**	**-0.1**	**-7.9**	**98.8**
Offset against deferred tax assets	-84.2				-74.7
Total net	**27.5**				**24.1**
Net balance	**-15.7**	**-2.7**	**0.1**	**-0.4**	**-18.7**

The majority of the deferred tax assets and liabilities is expected to be recovered after more than 12 months.

On 31 December 2024, the Group's unused tax loss carry forwards amounted to EUR 73.6 (108.9) million pertaining to deferred tax assets of EUR 16.1 (23.6) million. These losses relate mainly to Norway and Sweden and have no expiry date. Based on profit forecasts, it is probable that there will be sufficient future taxable profits available against which these tax losses can be utilized.

On 31 December 2024, the Group had tax loss carry forwards amounting to EUR 0.4 (0.4) million pertaining to deferred tax assets of EUR 0.1 (0.1) million, which were not recognized due to uncertainty of utilization.

The Group does not have any material uncertain tax positions in accordance with IFRIC 23 Uncertainty over Income Tax Treatments.

EUR million	1 Jan 2023	Charged to income statement	Charged to other comprehensive income	Acquisitions and disposals	Other changes	31 Dec 2023
Deferred tax asset						
Tax losses carried forward	39.0	-7.1	—	—	-8.3	23.6
Property, plant and equipment	10.8	5.9	—	—	-0.2	16.6
Lease liabilities	43.5	-2.7	—	0.3	-1.0	40.1
Employee benefits	10.2	-0.4	-0.1	—	-0.4	9.3
Provisions	3.0	-1.2	—	—	-0.1	1.6
Revenue recognition	6.3	-2.3	—	—	-0.4	3.6
Other temporary difference	4.2	0.3	—	0.1	-3.4	1.2
Total gross	**117.1**	**-7.5**	**-0.1**	**0.4**	**-13.8**	**96.1**
Offset against deferred tax liabilities	-102.5					-84.2
Total net	**14.6**					**11.8**
Deferred tax liability						
Intangible assets	48.4	-7.6	—	5.6	-3.7	42.8
Right-of-use assets	39.9	-3.9	—	0.3	-1.0	35.4
Untaxed reserves	10.7	-0.7	—	—	0.1	10.1
Other temporary difference	14.2	15.7	0.1	—	-6.5	23.5
Total gross	**113.2**	**3.6**	**0.1**	**5.9**	**-11.0**	**111.7**
Offset against deferred tax assets	-102.5					-84.2
Total net	**10.7**					**27.5**
Net balance	**3.9**	**-11.2**	**-0.2**	**-5.5**	**-2.8**	**-15.7**

9. Earnings per share

The total number of Tietoevry's shares on 31 December 2024 amounted to 118 640 150. At the end of the reporting period, the number of own shares totalled 45 239, representing 0.04% of the total number of shares and voting rights. For more information, see note 26.

ACCOUNTING POLICIES

Basic Earnings per share (EPS) is calculated by dividing the net profit or loss attributable to the shareholders of the Parent company by the weighted average number of shares in issue during the year, excluding shares purchased by Tietoevry and held as own shares.

Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding during the year with the shares estimated to be delivered based on the share-based incentive plans.

	2024	2023
Net profit/loss for the financial year attributable to owners of the Parent company (EUR million)	-62.8	172.2
Earnings per share (EUR)		
Basic	-0.53	1.45
Diluted	-0.53	1.45
Weighted average number of shares during the year		
Basic	118 522 308	118 375 769
Effect of dilutive share-based incentive plans	104 015	271 334
Diluted	118 626 323	118 647 103

COMPENSATION AND BENEFITS

This section comprises disclosures on the Group's employee benefits, including remuneration of the management and the Board of Directors.

10. Employee benefit expenses

Employee expenses consist of wages and salaries and related social costs. Tietoevry has post-employment benefit plans as well as share-based incentive plans for key employees. Termination benefits refer to benefits arising from termination of employment, not performance of work.

ACCOUNTING POLICIES

Employee benefits are recognised in the period in which services are rendered by the employees. Termination benefits are recognised at the time an agreement between the Group and the employee is made and no future service is rendered by the employee in exchange for the benefits.

Employee benefit expenses

EUR million	2024	2023
Wages and salaries[1]	1 217.5	1 219.3
Post-employment benefits		
Defined contribution plans	93.3	92.4
Defined benefit plans	7.4	2.2
Other benefits	25.6	23.8
Other statutory social costs[2]	214.8	217.4
Share-based payments[2]	6.5	9.5
Other personnel expenses	1.2	1.4
Total	**1 566.3**	**1 566.0**

[1] Includes termination benefits.

[2] Social costs reclassified from Share-based payments to Other statutory social costs for the comparative information.

11. Remuneration of key management

Key management of Tietoevry includes the members of the Board of Directors, the Group Executive Management and the President and CEO.

ACCOUNTING POLICIES

Remuneration for management and the Board of Directors includes all forms of consideration paid, payable or provided by Tietoevry in exchange for services rendered.

Management remuneration

	2024		2023	
EUR thousand	President and CEO	Group Executive Management	President and CEO	Group Executive Management[1]
Salaries and benefits	914.3	3 198.0	875.0	3 339.4
Bonuses[2]	105.8	478.8	404.7	1 039.2
Termination benefits	—	294.3	—	—
Share-based payments[3]	678.8	832.2	1 105.6	2 415.3
Statutory pensions	163.9	328.5	214.8	433.8
Supplementary pensions	225.8	351.3	213.3	458.7
Management entity compensation[4]	—	193.5	—	—
Total	**2 088.6**	**5 676.6**	**2 813.4**	**7 686.4**

[1] The comparative information for the Group Executive Management has been updated based on amounts paid and final estimates for accruals.
[2] In 2024, the bonuses are based on latest estimates. The comparative information has been updated based on the amounts paid.
[3] Share-based payments include EUR 66.5 thousand to be paid as a termination benefit.
[4] A management entity providing key management personnel services was established on a temporary basis with an end date of 31 December 2024.

The table includes management remuneration based on the time as a member in the Group Executive Management and it is presented on an accrual basis, except as noted above.

The President and CEO, Kimmo Alkio is entitled to an on-target bonus of 75% of his base salary, and up to a maximum of 150% of the base salary. The targets are based on the Group's external revenue, profit, cash-flow and achievement of strategic goals. The annual contribution for the President and CEO's supplementary pension arrangement is 23% of the annual base salary. The President and CEO's retirement age is 63. In case his assignment is terminated, the period of notice is 12 months and the severance payment is equivalent to the base salary and the short-term target incentive for six months, in addition to the salary for the notice period. The President and CEO participates in the Long-term incentive programmes according to respective terms and conditions decided by the Board of Directors. In 2024, after deductions for applicable taxes, a total of 24 150 (29 563) shares were delivered to the President and CEO.

Generally, the members of the Group Executive Management are entitled to an on-target bonus of 50% of the base salary, and up to a maximum of 100% of the base salary. The targets are based on their individual goals. The annual contribution for the Group Executive Management members' supplementary pension arrangement is up to 15% of the annual base salary. The retirement age of the Group Executive Management members is according to national legislation. The termination terms vary and the amounts correspond to the periods of notice. The Group Executive Management members participate in the Long-term incentive programmes according to respective terms and conditions decided by the Board of Directors. In 2024, after deductions for applicable taxes, a total of 27 120 (54 445) shares were delivered to the Group Executive Management members.

Remuneration for the Board of Directors

EUR thousand	2024	2023
Board members at 31 Dec 2024		
Tomas Franzén, Chairperson Board and RC	187.9	173.0
Harri-Pekka Kaukonen, Deputy Chairperson, Chairperson ARC[1)]	117.5	106.4
Bertil Carlsén[1)]	85.6	75.7
Elisabetta Castiglioni	85.6	74.9
Liselotte Hägertz Engstam	84.0	77.3
Katharina Mosheim	85.6	77.3
Gustav Moss[1)]	95.2	81.3
Endre Rangnes[1, 2)]	86.4	82.9
Petter Söderström[1)]	96.0	81.3
Timo Ahopelto, Deputy Chairperson[3)]	—	2.4
Niko Pakalén[3)]	—	3.2
Angela Mazza Teufer[3)]	—	0.8
Anders Palklint, personnel rep.	15.3	15.0
Thomas Slettemoen, personnel rep.	15.3	7.5
Ilpo Waljus, personnel deputy rep.	7.7	7.5
Tommy Sander Aldrin, personnel deputy rep.	7.7	15.0
Total	**969.7**	**881.5**

[1)] Shares were not purchased due to the resolution by the AGM not to deliver shares due to insider regulation or other justified reason. The cash portions to be paid together with the share purchases.

[2)] Board member until 3 September 2024.

[3)] Board member until 23 March 2023.

Each member of the Board of Directors receives a fixed annual remuneration and additional meeting based remuneration. According to the decision by the Annual General Meeting, the yearly remuneration is as follows: Chairperson EUR 137 500, Deputy Chairperson EUR 73 500, and ordinary member EUR 55 600. In addition to these fees, the Chairperson of a permanent Board Committee receives an annual fee of EUR 20 000 and a member of a permanent Board Committee receives an annual fee of EUR 10 000. In addition, remuneration of EUR 800 is paid to the Board members elected by the Annual General Meeting for each Board of Director's meeting, permanent committee or temporary subgroup meeting. Further, remuneration for employee representatives elected as ordinary members of the Board of Directors will be an annual fee of EUR 15 300, and remuneration for the deputy members will be EUR 7 650. Remuneration for the employee representatives is paid in cash only.

The Annual General Meeting also approved that part of the fixed annual remuneration may be paid in the company's shares purchased from the market. An elected member of the Board of Directors may, at his/her discretion, choose to receive the fee from the following five alternatives:

1. No cash, 100% in shares
2. 25% in cash, 75% in shares
3. 50% in cash, 50% in shares
4. 75% in cash, 25% in shares, or
5. 100% in cash, no shares.

The shares will be purchased in accordance with an acquisition programme prepared by the company. If the remuneration cannot be paid in shares due to insider regulation or other justified reason according to the AGM resolution, termination of the Board member's term of office or other reason relating to the member of the Board, the remuneration shall be paid fully in cash. In addition to the share remuneration, the Board members do not belong to or are not compensated with other share-based arrangements, nor do the members have any pension plans at Tietoevry except the employee representatives.

The Shareholders' Nomination Board (SNB) based on shareholdings as at 2 September 2024 consisted of the following representatives announced by Tietoevry's shareholders:

- Annareetta Lumme-Timonen, Investment Director, Solidium Oy
- Alexander Kopp, Investment Manager, Incentive AS
- Mikko Lantto, Chief Technology and Development Officer, Ilmarinen Mutual Pension Insurance Company
- Alexander Svensson, Vice President, Cevian Capital AG
- Tomas Franzén, Chairperson of the Board of Directors, Tietoevry Corporation.

12. Share-based payments

Tietoevry offers two types of global share-based compensation plans: Performance Share Plans and Restricted Share Plans.

ACCOUNTING POLICIES

Tietoevry has share-based incentive plans for its key employees which are accounted for as equity-settled. The plans are valued at fair value based on the market price of Tietoevry shares at the grant date and recognized as an employee benefit expense during the vesting period with a corresponding entry in equity. At each reporting date, the number of shares that are expected to vest from the Group's share-based incentive plans is revised. As part of this evaluation, the changes in the forecasted performance of the Group, the expected turnover of the personnel participating in the plans and other information impacting the number of shares to vest, is taken into consideration. Any adjustments to the initial estimates are recognized in profit or loss and a corresponding adjustment is made to equity. In countries where the reward is intended to be paid fully in cash, the costs are accounted for as cash-settled. Social costs paid on top of the reward are accounted for as cash-settled.

Share-based incentive plans

The aim of Tietoevry's share-based incentive plans is to align the objectives of shareholders and key employees in order to increase the value of the company in the long-term. At the end of 2024, Tietoevry's share-based incentive plans included Performance Share Plans 2022–2024, 2023–2025 and 2024–2026 as well as Restricted Share Plans 2022–2024, 2023–2025 and 2024–2026. The rewards from the plans will be paid partly in the company's shares and partly in cash. The cash portion is intended to cover taxes and tax-related costs arising from the reward.

As a rule, no reward will be paid, if a participant´s employment or service ends before the reward payment. The Board of Directors anticipates that share rewards to be delivered to the participants under the plans will consist of shares to be acquired from the market. Thus, no new shares will be issued in connection with the plans.

The Performance Share Plan 2021–2023 and the Restricted Share Plan 2021–2023 ended in 2024. Based on the achievements of the targets, a total of 391 958 gross shares were earned and of these 214 379 net shares were delivered to the participants. Tietoevry paid the rewards through a directed share issue without payment. For more information, see note 26.

In 2024, the following gross shares were earned and paid fully in cash to participants who left Tietoevry in accordance with the plan rules: a total of 5 417 gross shares under Performance Share Plan 2022–2024, a total of 2 895 gross shares under Performance Share Plan 2023–2025 and a total of 570 gross shares under Performance Share Plan 2024–2026.

Main terms and conditions of the share-based incentive plans

	Performance Share Plan		
	2022–2024	2023–2025	2024–2026
Plan launched	16 February 2022	14 February 2023	14 February 2024
Performance period	2022–2024	2023–2025	2024–2026
Vesting conditions	Relative and absolute Total Shareholder Return of Tietoevry share (TSR), Revenue growth and ESG target. Valid employment or director agreement of a key employee upon the reward payment.	Relative Total Shareholder Return of Tietoevry share (TSR) and ESG targets (gender diversity and CO2 reduction). Valid employment or director agreement of a key employee upon the reward payment.	Relative and Absolute Total Shareholder Return of Tietoevry share (TSR) and ESG targets (gender diversity and CO2 reduction). Valid employment or director agreement of a key employee upon the reward payment.
Exercised	In shares and cash in 2025	In shares and cash in 2026	In shares and cash in 2027
Number of participants on 31 Dec 2024	435	470	583
Other	On 31 Dec 2024, rewards to be paid correspond to the value of approximate number of 805 689 Tietoevry gross shares.	On 31 Dec 2024, rewards to be paid correspond to the value of approximate number of 809 083 Tietoevry gross shares.	On 31 Dec 2024, rewards to be paid correspond to the value of approximate number of 953 988 Tietoevry gross shares.

	Restricted Share Plan		
	2022–2024	2023–2025	2024–2026
Plan launched	16 February 2022	14 February 2023	14 February 2024
Vesting period	2022–2024	2023–2025	2024–2026
Vesting conditions	Valid employment or director agreement of a key employee upon the reward payment.		
Exercised	In shares and cash in 2025	In shares and cash in 2026	In shares and cash in 2027
Number of participants on 31 Dec 2024	126	140	182
Other	On 31 Dec 2024, rewards to be paid correspond to the value of approximate number of 50 320 Tietoevry gross shares.	On 31 Dec 2024, rewards to be paid correspond to the value of approximate number of 84 255 Tietoevry gross shares.	On 31 Dec 2024, rewards to be paid correspond to the value of approximate number of 52 314 Tietoevry gross shares.

Assumptions made in determining the fair value of Tietoevry's Share-based incentive plans

For Performance Share Plans and Restricted Share Plans, the fair value has been determined at grant using the fair value of the company share as of the grant date and expected dividends. Market-based performance metric outcome probability is estimated using Monte-Carlo simulation.

The fair value of social costs settled in cash are remeasured at each reporting date until settlement.

For share plan grants made in 2024, the fair value of the part recognised in equity has been determined at grant date using the following assumptions. The part recognised as a liability is based on the share price at the end of the reporting period:

- Share price at grant: EUR 18.28
- Expected annual dividends: EUR 1.42
- Risk-free interest rate: 2.99%
- Expected volatility (historical daily observations over corresponding maturity): 23.57%
- Contractual life: 2.73 years
- Fair value at grant: EUR 6.53
- Share price at year-end: EUR 17.02

Share-based payments included in employee benefit expenses

EUR million	2024	2023
Equity-settled share-based incentive plans	6.5	9.5
Cash-settled share-based incentive plans	0.0	0.1
Social costs settled in cash[1)]	0.2	0.9
Total	**6.7**	**10.5**

[1)] Social costs from all plans are reported as cash-settled.

Liabilities arising from share-based payments amount to EUR 0.8 (1.4) million. The liabilities include cumulative social costs from all plans, and taxes and tax-related costs from cash-settled plans. The estimated future cash payment to be made to the tax authorities from share-based payments is EUR 5.4 million.

13. Defined benefit plans

Group companies in different countries have a number of different post-employment benefit plans in accordance with local requirements and practices. The majority of the plans are classified as defined contribution plans. Post-employment benefit plans other than defined contribution plans are classified as defined benefit plans.

ACCOUNTING POLICIES

The fixed contributions to defined contribution plans are recognized as employee benefit expenses in the period to which they relate. The Group has no further legal or constructive payment obligations once the contributions have been paid.

Defined benefit plans typically define an amount of post-employment benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. Defined benefit plans are funded with payments to insurance companies.

For defined benefit plans, the net liability recognized in the statement of financial position equals the present value of the defined benefit obligation at the closing date less the fair value of the plan assets. The present value of the defined benefit obligation is determined separately for each plan by independent actuaries using the projected unit credit method. The actuarial calculations include several financial and demographic assumptions and any change in these will impact the carrying amount and future expense of the defined benefit obligation.

Current service costs, past service costs and gains or losses on settlements are recognized in employee benefit expenses. Net interest expense or income is recognized in financial items under interest expense or interest income. All remeasurements of the defined benefit liability or asset arising from experience adjustments and changes in actuarial assumptions are recognized directly in other comprehensive income.

The Group manages defined benefit plans through insurance companies. The employer has guaranteed to the members of the plans a certain level of benefit after their retirement, which depends on the length of service and salary base. The salary base is an average of last years' salaries indexed with common salary index. After retirement, the benefit payable is indexed yearly.

In Finland, the Group initiated amendments to its old supplementary pension plan in 2024 to revert changes implemented in 2021. At that time, the Group implemented an amendment to this supplementary pension plan, and removed the employment pension TyEL index link, which was replaced by the pension company's own customer credit model and 6% increase to the defined benefit pension effective from 2022. In the past few years, inflation has been higher than estimated in 2021, contributing to elevated TyEL index changes. Consequently, the benefits from the supplementary pension plan had not reached the level of TyEL index linked plans. After a thorough reassessment, the Group concluded to amend the supplementary pension plan and revert to the TyEL index linkage. As a result, these defined benefit pension plans are TyEL index linked as of 1 January 2025 and the affected beneficiaries will be compensated accordingly. This resulted in defined benefit pension costs of EUR 5.6 million, of which EUR 4.0 million was booked as amendments to the pension liability at 31 December 2024 and EUR 1.6 million was booked as one-time compensation to be paid in the first quarter of 2025.

The Group's risk covers approximately 880 non-active employees in Finland. When the pensioner who has a vested pension retires, the final amount of the pension is revised in the Finnish pension plan and as a result, the employer may incur additional costs. In addition, in the Finnish pension plan, the index increases that are borne by the employer during the period between the grant date of the vested pension and the beginning of the pension are charged only in the year when the pension is granted. In some insurance contracts, under certain conditions, the insured person has the right to retire earlier than at the normal retirement age. These additional expenses are charged at the beginning of the retirement.

In Sweden, the Group's risk is only on active employees and the plan covers 49 employees. As the Group does not have actuarial or investment risk for those plan members whose employment has ceased, the plan members are removed from the pension plan and a settlement is recognized annually. In 2024, a settlement loss of EUR 0.2 million was recognized in personnel expenses and the net defined benefit liability increased by the corresponding amount.

In Norway, the collective defined benefit plan has been replaced with a defined contribution plan and an unfunded compensation scheme for employees. The size of the compensation and the profile for its accrual is based on parameters at the time of the change and are accounted for as a defined benefit plan in the financial statements. The accrual formula and profile of the compensation scheme are used as the basis to make provisions in the accounts so that the total compensation earned to date by employees at any time is provided for as a liability in the consolidated statement of financial position. The plan covers 688 employees and pensioners. In addition, there are various other closed and unfunded pension plans in Norway covering 252 employees and pensioners.

In Poland, the risk is only on active employees and the plan covers 692 employees. The basis for the valuation of provisions for future benefits is the provisions of labor law, remuneration regulations, collective agreements and other binding agreements between employers and employees. The provision includes retirement severance pay, disability severance pay and death benefit. The valuation of liabilities was made based on the employment status and employee characteristics (gender, age, relevant seniority and/or remuneration, etc.) existing at the reporting date.

Defined benefit cost recognized in income statement and in other comprehensive income

EUR million	2024	2023
Service cost		
Current service cost	1.7	2.1
Settlement gains/losses	0.2	0.1
Amendments	4.0	—
One-time compensation	1.6	—
Net interest	-0.3	-0.3
Total	**7.3**	**1.9**
Amounts recognized in other comprehensive income		
Remeasurement		
Gains (-)/losses (+) from change in demographic assumptions	0.0	0.0
Gains (-)/losses (+) from change in financial assumptions	0.1	-1.0
Gains (-)/losses (+) from experience adjustments	-0.8	-0.2
Gains (-)/losses (+) on plan assets	0.1	0.5
Total	**-0.6**	**-0.6**

Amounts recognized in the statement of financial position

	Present value of defined benefit obligaton[1]		Fair value of plan assets[2]		Net liability	
EUR million	2024	2023	2024	2023	2024	2023
1 Jan	30.9	32.9	-5.4	-5.2	25.5	27.8
Current service cost	1.7	2.1	—	—	1.7	2.1
Interest expense/income	0.5	0.5	-0.2	-0.2	0.3	0.3
Employer contribution	—	—	-0.8	-0.9	-0.8	-0.9
Benefits paid	-4.0	-1.7	0.1	0.1	-3.9	-1.6
Amendments	21.8	—	-17.7	—	4.0	—
Curtailment and settlement	-0.2	-0.1	0.3	0.1	0.2	0.1
Actuarial gains/losses	-0.6	-1.2	0.0	0.6	-0.6	-0.6
Businesses acquired/divested	—	—	—	—	—	—
Exchange rate differences	-1.2	-1.5	0.1	0.0	-1.1	-1.5
31 Dec	**48.8**	**30.9**	**-23.6**	**-5.4**	**25.3**	**25.5**

[1] Of which EUR 26.7 (5.2) million in Finland, EUR 1.4 (0.8) million in Sweden, EUR 20.7 (24.8) million in Norway and 0.1 (0.1) million in Poland.

[2] Of which EUR 21.4 (3.6) million in Finland and EUR 2.2 (1.9) million in Sweden. Benefits are paid directly in Norway and Poland without holding plan assets.

EUR million	2024	2023
Defined benefit obligations	26.1	26.5
Defined benefit plan assets	-0.8	-1.0
Net liability	**25.3**	**25.5**

Allocation of plan assets

In Sweden, the plan assets are comprised from equity and debt instruments EUR 1.4 (1.2) million and other assets EUR 0.8 (0.7) million.

In Finland, the plan assets are accrued from the insurance premiums paid to the insurance company and accumulated up to the reporting date. The assets are part of the insurance company's investment assets and they are responsible for reporting the assets. A specification of the plan assets is not available.

Actuarial assumptions

%	2024	2023
Finland		
Discount rate	3.2	3.7
Future salary increases	—	—
Future pension increases	2.2	2.6
Inflation rate	2.0	2.4
Sweden		
Discount rate	3.0	3.9
Future salary increases	1.8	1.6
Future pension increases	1.8	1.6
Inflation rate	1.8	1.6
Norway		
Discount rate	3.9	3.1
Future salary increases	4.0	3.5
Growth in the basic state pension (G)	3.8	3.3
Poland		
Discount rate	5.6	5.0
Future salary increases	4.5	6.5

Sensitivity analysis of actuarial assumptions

The following table shows how a change in one assumption, while holding all other assumptions constant, would affect the defined benefit obligation.

	Change in assumption	Increase in assumption	Decrease in assumption
Impact on defined benefit obligation in Finland			
Discount rate	0.5%	-5.1%	5.6%
Future pension increase	0.5%	5.1%	-4.7%
Life expectancy	+1 year	5.8%	
Impact on defined benefit obligation in Sweden			
Discount rate	0.5%	-8,2%	9,1%
Future salary increase	0.5%	9,5%	-8,0%
Future pension increase	0.5%	7,0%	-6,1%
Life expectancy	+1 year	3.3%	
Impact on defined benefit obligation in Norway			
Discount rate	0.5%	-1.0%	1.1%
Future salary increase	0.5%	0.1%	-0.1%
Future pension increase	0.5%	0.9%	—%
Life expectancy	+1 year	1.0%	
Impact on defined benefit obligation in Poland			
Discount rate	0.5%	-6.4%	7.0%
Future salary increase	1.0%	14.7%	-12.5%

Maturity profile of the defined benefit obligation

The weighted average duration of the defined benefit obligation is 11 years in Finland, 18 years in Sweden, 15 years in Norway and 17 years in Poland. The following table shows the maturity profile of the future benefit payments which are the basis for the calculated undiscounted defined benefit obligation.

EUR million	2024
Maturity under 1 year	3.6
Maturity 1–5 years	13.8
Maturity 5–10 years	16.1
Maturity 10–30 years	36.2
Maturity over 30 years	3.6
Total future benefit payments	**73.3**

Expected contributions in 2025

Expected contributions to post-employment benefit plans for the year ending 31 December 2025 are EUR 0.7 million.

Multi-employer plans

The ITP2 pension plans operated by Alecta and Collectum in Sweden are multi-employer defined benefit pension plans which pool the assets contributed by various entities that are not under common control and the assets provide benefits to employees of more than one entity. It has not been possible to get sufficient information for the calculation of obligations and assets by employer from Alecta and Collectum and, therefore, these plans have been accounted for as defined contribution plans in the consolidated financial statements. In previous years, the information presented was based on two different ITP plans in Sweden, ITP1 and ITP2. However, only the ITP2 plans are multi-employer defined benefit plans. The ITP1 plan is a defined contribution plan and therefore, should not be included. The comparative information for 2023 has been updated accordingly. In Tietoevry, 1 791 employees are included in the ITP2 pension plans (1 624 employees in 2023). The yearly contributions to the plans are around EUR 10 million (EUR 9 million in 2023).

3 126 employees in the Group's Norwegian companies are members of an early retirement scheme (AFP), which is a multi-company defined benefit plan, and is financed by premium payments determined as a percentage of salary. There is no reliable measurement and allocation of liabilities and assets between the companies that participate in the scheme. The scheme is, therefore, treated for accounting purposes as a defined contribution plan and the premiums paid are recognized as costs through profit or loss. The premium rate for 2024 was 2.7% (2.6) corresponding to EUR 4.4 (3.8) million. The scheme is underfunded and it is assumed that premiums will increase over time in order to ensure sufficient buffer capital to cope with increased payments.

INVESTED CAPITAL AND WORKING CAPITAL ITEMS

This section includes disclosures describing the assets that form the basis for the activities of Tietoevry and the related liabilities.

14. Goodwill and other intangible assets

Tietoevry's intangible assets comprise mainly goodwill, internally developed software (capitalized development costs), and intangible assets acquired in business combinations, such as technology, trademarks and customer relationships. Intangible assets also include software licenses. Tietoevry does not have any intangible assets with indefinite useful lives other than goodwill.

ACCOUNTING POLICIES

Intangible assets other than goodwill are recognized initially at cost. An intangible asset is recognized only if it is probable that the future economic benefits attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. All other costs are expensed as incurred.

After initial recognition, intangible assets are measured at cost less amortization and accumulated impairment losses. Intangible assets are amortized over their useful lives with the straight-line method. Assets that are subject to amortization are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If the carrying amount of the intangible asset exceeds its recoverable amount, an impairment loss equal to the difference is recognized in profit or loss.

Internally developed software

Research costs are expensed when incurred. Development costs related to major new software products are capitalized as intangible assets when it is probable that the development will generate future economic benefits for the Group, and certain criteria related to commercial and technological feasibility are met. Development costs comprise service and solution development focusing on, for example, industry-specific software, customer experience management and security services, as well as cloud services. Additionally, the costs for related internal development e.g. automation in infrastructure services, are included in development costs. Development projects are analysed individually to determine the moment when the project has reached a milestone after which capitalization of development costs can start. Only costs which are directly attributable to the development are capitalised.

Subsequent to initial recognition, these costs are measured at cost less accumulated amortization and impairment losses. The amortization period for internally developed software depends on the technology renewal cycle and contract duration. Internally developed software for which amortization has not yet started is tested for impairment on an annual basis by comparing the asset's carrying amount with its recoverable amount. If the carrying amount exceeds the recoverable amount, an impairment loss equal to the difference is recognized in profit or loss.

Intangible assets recognised from acquisitions

Intangible assets acquired in business combinations are measured at fair value at the acquisition date. These are usually customer or technology related and have finite useful lives.

Gains and losses on disposal of intangible assets are included in other operating income and expenses.

The Group applies the following useful lives:

	Years
Software acquired separately	3
Other intangible assets	3–10
Technology related intangible assets recognized at fair value from acquisitions	3–15
Customer related intangible assets recognized at fair value from acquisitions	2–10
Trademark recognized at fair value from acquisitions	6
Internally developed software (capitalized development costs)	5–15

Goodwill

Goodwill arising on a business combination represents the excess of the aggregate of the consideration transferred, the amount of non-controlling interests in the acquiree and previously held equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired. Goodwill is measured at cost less accumulated impairment losses. It is not amortized, but tested for impairment at least annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. For the purpose of impairment testing, goodwill is allocated to the operating segments of the Group, which are the cash generating units (CGU) expected to benefit from the synergies of the business combination. If the carrying amount of goodwill allocated to the operating segments exceeds its recoverable amount, an impairment loss equal to the difference is recognized in profit or loss. The recoverable amount is the higher of the value in use represented by the net present value of future cash flows and the fair value less costs to sell. Impairment losses on goodwill are not reversed.

In respect of joint ventures, goodwill is included in the carrying amount of the investment.

ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates are made when determining the fair values of assets acquired in a business combination. The valuation requires management to determine the appropriate valuation technique and inputs for fair value measurements, such as discount rate.

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units (CGU) to which goodwill has been allocated. The value in use calculation requires management to estimate the future cash flows expected to arise from the CGUs and an appropriate discount rate to calculate present value.

While management believes that the estimates and assumptions used are reasonable, there are uncertainties which could materially affect the valuations.

Similarly, estimates are made and judgement is applied when assessing the useful lives of other intangible assets, and testing for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Intangible assets

EUR million	Goodwill	Software acquired separately	Intangible assets recognized from acquisitions[1)]	Internally developed software	Other	Advance payments	Total
Acquisition cost 1 Jan 2024	**1 907.3**	**29.9**	**282.0**	**330.8**	**19.9**	**1.2**	**2 571.1**
Additions	—	4.6	—	45.2	0.0	0.8	50.6
Disposals	—	-9.7	-1.4	-68.0	-1.3	—	-80.5
Reclassifications	—	1.3	—	—	0.0	-1.2	0.1
Translation differences	-59.6	-0.7	-9.9	-12.7	0.0	-0.0	-83.0
Acquisition cost 31 Dec 2024	**1 847.7**	**25.4**	**270.7**	**295.2**	**18.6**	**0.8**	**2 458.4**
Accumulated amortization and impairments 1 Jan 2024	**—**	**-18.7**	**-171.5**	**-117.0**	**-17.2**	**—**	**-324.3**
Disposals	—	9.7	1.4	68.0	1.3	—	80.5
Amortization	—	-5.9	-43.8	-13.8	-1.3	—	-64.7
Impairments	-199.5	—	—	-0.6	—	—	-200.1
Reclassifications	—	-0.1	—	—	0.0	—	-0.1
Translation differences	—	0.4	7.5	4.5	0.0	—	12.4
Accumulated amortization and impairments 31 Dec 2024	**-199.5**	**-14.6**	**-206.2**	**-58.9**	**-17.2**	**—**	**-496.4**
Carrying value 1 Jan 2024	1 907.3	11.2	110.6	213.9	2.8	1.2	2 246.8
Carrying value 31 Dec 2024	**1 648.2**	**10.8**	**64.4**	**236.3**	**1.4**	**0.8**	**1 962.0**

[1)] Includes technology and customer related intangible assets as well as trademark recognized at fair value from acquisitions.

EUR million	Goodwill	Software acquired separately	Intangible assets recognized from acquisitions[1)]	Internally developed software	Other	Advance payments	Total
Acquisition cost 1 Jan 2023	**1 846.5**	**29.5**	**291.3**	**308.3**	**29.3**	**3.3**	**2 508.2**
Acquisitions of subsidiaries	137.4	0.1	22.6	—	—	—	160.1
Additions	—	6.9	—	44.7	0.0	0.6	52.1
Disposals	—	-8.5	-17.3	-5.5	-9.9	—	-41.3
Reclassifications	—	2.3	—	—	0.7	-2.6	0.4
Translation differences	-76.6	-0.3	-14.7	-16.6	-0.1	-0.1	-108.4
Acquisition cost 31 Dec 2023	**1 907.3**	**29.9**	**282.0**	**330.8**	**19.9**	**1.2**	**2 571.1**
Accumulated amortization and impairments 1 Jan 2023	**—**	**-22.6**	**-153.6**	**-122.6**	**-26.1**	**—**	**-324.9**
Disposals	—	8.5	17.3	5.5	9.9	—	41.3
Amortization	—	-4.7	-41.8	-6.3	-1.1	—	-53.9
Reclassifications	—	-0.4	—	—	0.0	—	-0.4
Translation differences	—	0.4	6.8	6.4	0.1	—	13.6
Accumulated amortization and impairments 31 Dec 2023	**—**	**-18.7**	**-171.5**	**-117.0**	**-17.2**	**—**	**-324.3**
Carrying value 1 Jan 2023	1 846.5	6.9	137.7	185.7	3.2	3.3	2 183.3
Carrying value 31 Dec 2023	**1 907.3**	**11.2**	**110.6**	**213.9**	**2.8**	**1.2**	**2 246.8**

[1)] Includes technology and customer related intangible assets as well as trademark recognized at fair value from acquisitions.

Internally developed software and other development costs

Tietoevry's development costs amounted to approximately EUR 130.6 (129.3) million, representing 4.7% (4.5) of the Group's revenue. Of these costs, EUR 45.2 (44.7) million were capitalized. In 2024, the focus was on developing industry-specific software, especially solutions for Financial Services and Healthcare.

Impairment testing of goodwill

The annual impairment testing was carried out in the fourth quarter of 2024 in line with Group accounting policy. The Group is organized into five businesses which are Tietoevry Create, Tietoevry Banking, Tietoevry Care, Tietoevry Industry, and Tietoevry Tech Services. The five businesses form the Group's operating segments, see note 5 for more information on the segments. The businesses form the cash-generating units (CGU) providing services to selected customers in their market segments, and represent the lowest level at which goodwill is monitored for internal management purposes.

Carrying amount of goodwill by CGU

EUR million	31 Dec 2024	31 Dec 2023
Tietoevry Create	688.5	697.7
Tietoevry Banking	295.2	308.7
Tietoevry Care	250.2	260.9
Tietoevry Industry	180.7	188.4
Tietoevry Tech Services	233.6	451.6
Total	**1 648.2**	**1 907.3**

Recoverable amounts and assumptions used

The recoverable amounts of the CGUs of Tietoevry are determined based on value in use calculations which are prepared using discounted cash flow projections. Annually, management of the Group defines the long-term ambitions and strategic objectives for the coming years taking into account, for example, industry growth forecasts obtained from external sources as well as salary increase assumptions. The strategic objectives serve as basis for the businesses' long-term plans which are reviewed and approved by the Group's top management.

The planning horizon covers a five-year period including key assumptions for sales growth rate, development of EBITDA, capital expenditure including investments for right-of-use assets, tax payments and changes in net working capital. Forecasted EBITDA margins are adjusted for expected efficiency improvements. The key assumptions used are based on past experience and reflects management's expectations of future development of sales prices, business mix, costs, market shares and volumes.

Subsequent to the five-year projection period, the terminal growth rate used is 1.5% for all CGUs except for Tietoevry Tech Services. The terminal growth rate of 1.5% is consistent with the long term inflation rates in the Nordic countries (as the primary locations) and does not exceed the expectations of growth in real terms.

The discount rate applied to the cash flow projections is the weighted average pre-tax cost of capital (WACC). The components of the WACC rates are risk-free rate, market risk premium, country risk premium, industry specific beta, cost of debt and debt equity ratio. The risk-free rate is based on 30-year German government bond adjusted by the weighted average inflation differential between Germany and the countries where each CGU has operations. The discount rates are also adjusted for the additional business risk of the CGUs. The pre-tax discount rates for the CGUs vary between 8.6% and 10.9%.

Key assumptions used in discounting the cash flow projections by the CGUs

Key assumption %	Terminal growth rate		Pre-tax WACC	
	2024	2023	2024	2023
Tietoevry Create	1.5	2.0	10.9	11.6
Tietoevry Banking	1.5	2.0	8.9	9.1
Tietoevry Care	1.5	2.0	8.6	8.8
Tietoevry Industry	1.5	2.0	8.6	8.9
Tietoevry Tech Services	0.0	2.0	10.7	8.9

Results of impairment testing

The Tietoevry Tech Services business is impacted by overall market softness, which has resulted in lower cash flow projections. As a result, management concluded that the carrying amount exceeded the recoverable amount for the Tietoevry Tech Services CGU and recorded a non-cash impairment charge of EUR 200.0 million. This reduced the carrying amount of the goodwill held in Tietoevry Tech Services CGU to EUR 233.6 million as at 31 December 2024. The recoverable amount of the CGU is approximately EUR 500 million based on its value in use.

The results of the impairment test indicate adequate headroom for the other CGUs, in which no reasonable change in key assumptions would result in recognition of an impairment loss.

Compared to 31 December 2023, the goodwill balance decreased due to the goodwill impairment loss in Tietoevry Tech Services and exchange rate fluctuations of EUR 59.6 million.

15. Property, plant and equipment

Tietoevry's property, plant and equipment comprise mainly information and communication technology (ICT) equipment.

ACCOUNTING POLICIES

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Land is not depreciated. Property, plant and equipment acquired in business combinations are measured at fair value at the acquisition date. Depreciation is recognized according to plan based on the estimated economic lives of the individual assets and accounted for in accordance with the straight-line method. The assets' residual useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Assets that are subject to depreciation are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss equal to the difference is recognized in profit or loss.

The group applies the following useful lives:

	Years
Buildings and structures	25–40
Data processing equipment[1)]	1–5
Other machinery and equipment	5
Other tangible assets	5

[1)] Purchases of personal computers are expensed immediately.

Property, plant and equipment

EUR million	Land	Buildings and structures	Machinery and equipment	Other tangible assets	Advance payments and work in progress	Total
Acquisition cost 1 Jan 2024	**1.2**	**3.4**	**339.7**	**63.4**	**14.4**	**422.1**
Additions	—	—	24.3	3.4	6.7	34.4
Disposals	—	—	-100.3	-7.0	0.0	-107.3
Reclassifications	—	—	14.6	2.1	-12.8	3.9
Translation differences	—	—	-5.7	-0.3	-0.4	-6.4
Acquisition cost 31 Dec 2024	**1.2**	**3.4**	**272.6**	**61.6**	**7.9**	**346.8**
Accumulated depreciation and impairments 1 Jan 2024	**—**	**-1.8**	**-284.5**	**-47.1**	**—**	**-333.4**
Disposals	—	—	100.2	7.1	—	107.3
Depreciation	—	-0.1	-33.3	-6.1	—	-39.5
Reclassifications	—	—	-3.8	-0.1	—	-3.9
Translation differences	—	—	4.6	0.3	—	4.9
Accumulated depreciation and impairments 31 Dec 2024	**—**	**-1.9**	**-216.8**	**-45.9**	**—**	**-264.6**
Carrying value 1 Jan 2024	1.2	1.6	55.2	16.3	14.4	88.8
Carrying value 31 Dec 2024	**1.2**	**1.5**	**55.9**	**15.7**	**7.9**	**82.2**
Acquisition cost 1 Jan 2023	**1.2**	**3.8**	**385.6**	**64.7**	**19.1**	**474.4**
Acquisitions of subsidiaries	—	—	0.3	0.4	0.1	0.8
Additions	—	—	21.3	2.4	9.5	33.2
Disposals	—	-0.4	-76.8	-4.3	-0.1	-81.6
Reclassifications	—	—	14.8	0.5	-14.0	1.3
Translation differences	—	—	-5.5	-0.2	-0.3	-6.0
Acquisition cost 31 Dec 2023	**1.2**	**3.4**	**339.7**	**63.4**	**14.4**	**422.1**
Accumulated depreciation and impairments 1 Jan 2023	**—**	**-2.1**	**-330.3**	**-44.9**	**—**	**-377.2**
Disposals	—	0.4	74.6	4.2	—	79.2
Depreciation	—	-0.1	-32.2	-6.4	—	-38.8
Reclassifications	—	—	-1.3	0.0	—	-1.3
Translation differences	—	—	4.8	0.0	—	4.8
Accumulated depreciation and impairments 31 Dec 2023	**—**	**-1.8**	**-284.5**	**-47.1**	**—**	**-333.4**
Carrying value 1 Jan 2023	1.2	1.7	55.4	19.8	19.1	97.2
Carrying value 31 Dec 2023	**1.2**	**1.6**	**55.2**	**16.3**	**14.4**	**88.8**

16. Leases

Tietoevry Group mainly acts as a lessee and leases premises, IT equipment and cars. In monetary terms, the highest portion of the Group's lease portfolio is for leasing premises. Tietoevry Group also leases equipment for data centres to support continuous service delivery to its customers.

ACCOUNTING POLICIES

The Group as a lessee

The Group assesses whether a contract is, or contains, a lease at inception of the contract. The Group recognizes a right-of-use asset and a corresponding lease liability at the commencement date of a lease. Initially, the lease liability is measured at the present value of the future lease payments to be made over the lease period. The lease payments include fixed payments, less any lease incentives receivable, variable lease payments that depend on an index or rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option if it is reasonably certain to be exercised and payments of penalties for terminating the lease if the lease term reflects the exercise of a termination option.

To determine the present value of future lease payments, the Group discounts the lease payments using the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate reflects the rate at which the Group could borrow an amount similar to the value of the right-of-use asset in a similar economic environment. At year-end, the average annual incremental borrowing rate applied to discount remaining lease payments for existing lease agreements is 6.2%.

The Group determines the lease term as the non-cancellable period of the lease, together with the periods covered by an option to extend the lease, if it is reasonably certain to be exercised, and periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has some lease contracts for which the lease term is cancellable with only a short notification period ("evergreen leases"). Management uses judgement to evaluate the lease term for leases with extension or termination options, and for leases with a short notification period. Management estimates the lease term based on overall strategy and business development plans as well as contract specific facts and circumstances.

At 31 December 2024, the weighted average residual lease term for lease contracts is 5.9 years (residual terms vary between 0.1–15.3 years).

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets comprises the initial measurement of the corresponding lease liability, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life of the underlying asset.

Lease liabilities are measured at amortized cost. The carrying amount of lease liabilities is increased to reflect the interest on the lease liability and decreased for the lease payments made. Interest expenses related to the lease liabilities are recognized in profit or loss. The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term or in lease payments, or a change in the Group's assessment of an option to purchase the underlying asset.

The Group applies the recognition exemption provided for leases. Lease payments for leases of low value assets and short-term leases (less than 12 months) are recognized in the income statement on a straight-line basis. The low value assets comprise IT equipment and office furniture.

The Group has elected to separate the service component of a lease for all asset types, except for cars, where only variable lease payments are excluded from the measurement of the lease liability. Non-lease components are separated from lease payments based on fair market value. If such information is not readily available, management judgment is applied in estimating the value.

The Group presents the payment of the principal portion of the lease liability in the cash flows from financing activities and the interest portion in the cash flows from operating activities. Lease payments related to low value assets and short-term leases are presented in cash flow from operating activities.

The Group as a lessor

If an arrangement conveys a right to use a specific asset to a purchaser, often together with related services, the assets, mainly technical equipment, are classified as embedded finance leases. Further the lease is classified either as Operating lease or Finance lease. At 31 December 2024, all such cases have been classified as Finance leases. Sales derived from these embedded finance leases are recognized at the beginning of the agreement period. The annual payments are disclosed as amortization of the finance lease loan receivable and interest income.

Leases impact on income statement

EUR million		31 Dec 2024	31 Dec 2023
Tietoevry as a Lessee	**Depreciation expenses of right-of-use assets**	**-58.0**	**-59.8**
Tietoevry as a Lessee	**Impairment losses**	**-0.6**	**-2.7**
Tietoevry as a Lessee	Variable lease payments	-8.2	-8.5
Tietoevry as a Lessee	Short-term leases and low value leases	-3.5	-4.2
	Other income and expenses	**-11.7**	**-12.7**
Tietoevry as a Lessor	**Revenue**	**0.7**	**2.7**
Tietoevry as a Lessor	**Materials and services**	**-0.6**	**-1.5**
Tietoevry as a Lessor	Finance income on the net investment in lease	0.1	0.1
Tietoevry as a Lessee	Interest expense on lease liabilities	-11.8	-10.6
	Expenses reported in financial items, net	**-11.7**	**-10.5**
	Total impact on income statement from lease contracts	**-82.0**	**-84.4**

Leases impact on statement of cash flows

EUR million		31 Dec 2024	31 Dec 2023
Tietoevry as a Lessee	Interest paid (cash flow from operating activities)	-11.6	-9.6
	Principal paid (cash flow from financing activities)	-56.6	-58.1

Leases impact on the statement of financial position

Right-of-use assets

EUR million		Buildings	Machinery and Equipment	Total
Tietoevry as a Lessee	1 Jan 2024	177.0	18.9	195.9
	Additions[1]	62.4	12.6	75.0
	Terminations	-29.9	-2.5	-32.4
	Depreciation	-48.7	-9.3	-58.0
	Impairment[2]	-0.6	—	-0.6
	Other	0.0	—	0.0
	Translation differences	-3.9	-0.2	-4.1
	31 Dec 2024	**156.2**	**19.6**	**175.8**

EUR million		Buildings	Machinery and Equipment	Total
Tietoevry as a Lessee	1 Jan 2023	185.9	16.0	201.9
	Acquisitions	2.2	—	2.2
	Additions[1]	60.7	15.8	76.5
	Terminations	-14.0	-2.7	-16.7
	Depreciation	-49.8	-10.0	-59.8
	Impairment[2]	-2.7	—	-2.7
	Other	0.0	0.0	—
	Translation differences	-5.4	-0.2	-5.6
	31 Dec 2023	**177.0**	**18.9**	**195.9**

[1] Additions represent increases in right-of-use assets due to new lease contracts, as well as remeasurements and lease modifications.

[2] For more information, see note 5.

Lease liabilities

EUR million	31 Dec 2024	31 Dec 2023
Current	50.5	50.3
Non-current	142.6	161.4
Total	**193.0**	**211.7**

The movement in lease liabilities during the reporting period is presented in note 21.
The maturity structure of contractual undiscounted lease payments is presented in note 20.

Lease receivables

Net investment in leases

EUR million	31 Dec 2024	31 Dec 2023
Current	1.4	2.2
Non-current	—	—
Total	**1.4**	**2.2**

Maturity analysis - contractual undiscounted cash flows for finance leases

EUR million	31 Dec 2024	31 Dec 2023
Within one year	1.4	2.2
One to two years	—	—
Total undiscounted lease receivable	**1.4**	**2.2**
Unearned finance income	0.0	0.0
Net investment in leases	**1.4**	**2.2**

17. Trade and other receivables

Trade receivables represent amounts that Tietoevry expects to collect from other parties in the ordinary course of business. Trade receivables are non-interest bearing and the standard payment term is 30 days, according to the Group's Credit Policy. Contract assets relate to fixed-price projects where the customer invoicing is based on agreed milestones and the services rendered by the reporting date exceed the payment received. License fees relate to prepaid license costs that will be realized on an accrual basis in future periods. Other interest-bearing receivables relate to assets that are financed as part of customer deliveries and where the contracts are treated as service contracts.

ACCOUNTING POLICIES

Trade receivables are initially recognised at fair value and subsequently at amortized cost less expected credit loss allowance (ECL). Tietoevry has elected to use the practical expedient and calculate lifetime ECL based on a pre-defined allowance matrix with customer segment specific credit characteristics, based on the following criteria:

- Country group (Finland, Sweden, Norway, other European Union countries, other countries)
- Customer industry group (financial services, public healthcare & welfare, industrial customer services)
- Balance due status (not yet due, overdue 1–7 days, 8–30 days, 31–60 days, 61–90 days, over 90 days)

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. Default is defined as 90 days past due or a write off event, due to inability to collect debt.

For each customer segment, the ECL rate (expressed as a percentage) indicates the historical average defaults identified during the past three years and also the Group's assessment of the possible impact from changes in the overall economic environment in which its customers operate. These collective allowances can be increased if the customer has filed for bankruptcy but has not yet registered the fact or if there are any facts or circumstances indicating that the customer's credit risk is above industry/country average.

When calculating ECL for contract assets, Tietoevry uses the ECL rate set for "not yet due" invoices in the allowance matrix.

Trade receivables are permanently written off when there is no reasonable expectation of recovery. Subsequent recoveries of amounts previously written off are credited to the income statement. Other interest-bearing receivables are initially recognized at fair value and subsequently at amortized cost during the contract period. The carrying amount of the trade and other receivables approximate their fair values due to their short-term nature.

For more information on the classification of Trade and other receivables, see note 23.

Average ECL rates

%	31 Dec 2024	31 Dec 2023
Not yet due	0.01 %	0.01 %
Overdue 1–7 days	0.01 %	0.01 %
Overdue 8–30 days	0.02 %	0.02 %
Overdue 31–60 days	2.82 %	2.84 %
Overdue 61–90 days	4.90 %	5.64 %
Overdue over 90 days	60.00 %	60.00 %

Trade and other receivables

EUR million	31 Dec 2024	31 Dec 2023
Non-current		
Prepaid expenses and accrued income	19.4	29.3
Other	5.7	5.4
Total	**25.1**	**34.7**
Current		
Trade receivables at amortized cost	391.8	476.8
Prepaid expenses and accrued income		
Contract assets	50.4	58.4
License fees	46.5	32.9
Other prepaid expenses and accrued income[1]	34.4	38.8
Finance lease receivables	1.4	2.2
Other interest-bearing receivables	14.5	14.4
Other[2]	11.8	14.6
Total	**550.7**	**638.1**

[1] Comparative information has been updated, see note 24.
[2] Includes capitalized set-up costs to fulfil a contract and value added tax receivables.

Net contract assets

	Not yet due	Not yet due
EUR million	2024	2023
Contract assets	50.4	58.4
Loss allowance	-0.0	-0.0
Net contract assets	**50.4**	**58.4**

Group trade receivables maturity and expected credit losses

	Gross trade receivables	Loss allowance	Net trade receivables	Gross trade receivables	Loss allowance	Net trade receivables
EUR million	2024	2024	2024	2023	2023	2023
Not yet due	342.0	-0.0	341.9	368.2	-0.1	368.1
Overdue 1–7 days	30.7	-0.0	30.7	82.3	-0.1	82.2
Overdue 8–30 days	7.5	-0.3	7.3	4.8	-0.2	4.7
Overdue 31–60 days	4.7	-0.2	4.5	4.1	-0.5	3.6
Overdue 61–90 days	4.3	-0.6	3.7	2.9	-0.1	2.8
Overdue over 90 days[1]	7.3	-3.5	3.7	17.4	-1.8	15.5
Total	**396.4**	**-4.7**	**391.8**	**479.6**	**-2.8**	**476.8**

[1] At the end of 2023, the majority of trade receivables overdue over 90 days were subject to negotiation with a customer, with a corresponding entry in contract liabilities and therefore excluded from the ECL calculation. The invoices were credited in full in the first quarter of 2024.

There are no major concentrations of credit risk in the Group, see note 20. Impairment losses recognized on trade receivables and contract assets are included in other operating expenses in the income statement.

Movements in loss allowances

	Trade receivables	
EUR million	2024	2023
1 Jan	2.8	2.7
Translation differences	-0.0	-0.1
Changes in loss allowances recognized	2.0	0.7
Amounts written off as uncollectible	-0.1	-0.6
31 Dec	**4.7**	**2.8**

18. Provisions

Provisions at Tietoevry Group comprise mainly restructuring and other employee related provisions, and contract-related provisions.

ACCOUNTING POLICIES

A provision is a liability of uncertain timing or amount which is recognized when the entity has a present legal or constructive obligation as a result of a past event and it is more likely than not that an outflow of economic benefits will be required to settle the obligation and the amount of the obligation can be measured reliably. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation and are split between amounts expected to be settled within 12 months at the end of the reporting period and amounts expected to be settled later (non-current).

Provisions for restructuring

A restructuring provision is only recognized when a formal plan has been approved and the implementation of it has either commenced or the plan has been announced.

Provisions for warranties

The Group's warranties provide assurance that the delivery will function as expected and in accordance with contract specifications. Provisions related to these assurance-type warranties are recognized during the project and used during the warranty period.

Other provisions

Other provisions include provisions for loss making contracts which are recognized for any unavoidable net loss arising from the contract as well as employee related provisions other than restructuring.

ACCOUNTING ESTIMATES AND JUDGEMENTS

Provisions require management to assess the best estimate of the future costs needed to settle the present obligation at the reporting date. The actual costs may differ from the estimated costs.

EUR million	Provisions for restructuring	Provision for warranties	Other provisions	Total
1 Jan 2024	12.0	1.2	4.0	17.2
Translation differences	-0.4	0.0	-0.1	-0.4
Increases in provisions	30.0	4.0	0.7	34.7
Use of provisions	-21.6	-3.9	-1.4	-26.9
Reversals and changes in estimates	-0.6	-0.3	-0.3	-1.2
31 Dec 2024	**19.4**	**1.0**	**2.9**	**23.3**
of which				
Non-current	1.3	0.0	1.3	2.6
Current	18.2	1.0	1.6	20.7
Total	**19.4**	**1.0**	**2.9**	**23.3**
1 Jan 2023	13.9	1.7	6.2	21.7
Translation differences	-0.2	0.0	-0.1	-0.3
Increases in provisions	24.2	0.7	6.2	31.1
Use of provisions	-25.4	-0.7	-6.7	-32.7
Reversals and changes in estimates	-0.5	-0.5	-1.5	-2.6
31 Dec 2023	**12.0**	**1.2**	**4.0**	**17.2**
of which				
Non-current	0.5	0.1	1.9	2.5
Current	11.5	1.0	2.2	14.6
Total	**12.0**	**1.2**	**4.0**	**17.2**

In 2024, restructuring measures were taken mainly in Tietoevry Create, Tietoevry Banking and Tietoevry Tech Services. In 2023, restructuring measures were taken mainly in Tietoevry Tech Services, Tietoevry Banking, and Tietoevry Create.

19. Trade and other payables

Trade and other payables represent unpaid, non-interest bearing liabilities at the end of the reporting period. Contract liabilities represent where a customer has paid consideration or payment is due, but Tietoevry has not yet transferred goods or services to the customer.

ACCOUNTING POLICIES

Trade and other payables are presented as current liabilities if settlement is due within 12 months from the end of the reporting period. They are recognized at their fair value and subsequently measured at amortized cost using the effective interest method.

The carrying amount of the trade and other payables approximate their fair values due to their short-term nature.

EUR million	31 Dec 2024	31 Dec 2023
Non-current		
Contract liabilities	2.4	6.8
Accruals	3.7	4.1
Total	**6.1**	**10.8**
Current		
Trade payables	174.8	206.9
Contract liabilities	49.6	77.3
Accrued liabilities		
Employee-related accruals	186.9	197.7
Interest[1)]	12.1	8.8
Other accrued expenses	44.1	42.2
Value added tax liabilities	49.2	52.5
Payroll tax liabilities	28.6	30.7
Total	**545.4**	**616.0**

[1)] Comparative information has been updated, see note 24.

FINANCIAL RISK MANAGEMENT AND CAPITAL STRUCTURE

This section includes notes related to Tietoevry's financial risk and capital structure management. The financial risks are monitored and managed via Tietoevry's Group Treasury.

20. Management of financial risks and capital structure

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and commodity risk), credit risk and liquidity risk. The operative management of the treasury activities of Tietoevry is centralized in Group Treasury. The Group Treasury is responsible for managing the Group's financial risk position and maintaining adequate liquidity. The Treasury Policy, which has been approved by the Board of Directors, defines the principles for measuring and managing liquidity risk, interest rate risk, foreign exchange risks and counter-party risk of the Group. The Treasury Policy also defines the division of responsibilities with regard to financial risk management. The Group reviews and monitors financial risks on a regular basis.

Market risk

Currency risk management

Transaction risk

Currency risk means the risk that the result or economic situation of the Group changes due to changes in exchange rates. Foreign trade, Group internal transactions and liquidity management in non-euro countries generate transaction exposure in the Group. The objective of the Group's currency risk policy is to secure the profitability of operative business by managing recognized exposures while maintaining sufficient flexibility to adjust to changing currency markets. The underlying exposure includes financial items denominated in the non-functional currencies of operating companies, such as internal funding, foreign currency bank account balances, and estimated cash flows such as firm commitments and future trade transactions.

Swedish krona, Norwegian krone, Czech koruna, Indian rupee, Polish zloty and US dollar are the main currencies with this exposure. During 2024, currency forward contracts were used to mitigate the risks. Gains and losses from foreign exchange contracts are recognized in the consolidated income statement.

Group companies must hedge their identified currency risks with the Group Treasury unless there are legal restrictions preventing this. The benchmark for the Group's currency position is a situation where all the identified currency risks are eliminated. A deviation from this benchmark is defined as an open position. The following deviations can be made based on the total size of the Group's gross currency position (identified currency risks, excluding the hedging transactions):

- +/- 15 %: Group Treasury
- +/- 25 %: Treasury Committee
- Greater deviation: Board of Directors

The overall operational hedging ratio at the end of December 2024 was 99 % (99 %).

Identified currency transaction risk exposure and sensitivity analysis

EUR million	Loans and Cash, net	Estimated cash flows	Leases	Total foreign exchange exposure	External foreign exchange hedges	Transaction exposure sensitivity[1]	Foreign exchange hedge sensitivity[1]	Net effect gain/loss
SEK								
31 Dec 2024	**-122.1**	**19.8**	**—**	**-102.2**	**102.3**	**12.2**	**-10.2**	**2.0**
31 Dec 2023	-130.6	23.1	—	-107.5	107.7	13.1	-10.8	2.3
NOK								
31 Dec 2024	**-16.9**	**15.3**	**—**	**-1.6**	**3.0**	**1.7**	**-0.3**	**1.4**
31 Dec 2023	-42.3	12.7	—	-29.6	29.3	4.2	-2.9	1.3
PLN								
31 Dec 2024	**1.4**	**-11.5**	**0.7**	**-9.4**	**9.5**	**-0.2**	**-1.0**	**-1.2**
31 Dec 2023	0.7	-9.6	1.2	-7.7	8.5	-0.2	-0.8	-1.0
CZK								
31 Dec 2024	**-14.0**	**-28.8**	**9.8**	**-33.0**	**43.2**	**0.4**	**-4.3**	**-3.9**
31 Dec 2023	-9.6	-44.3	9.6	-44.3	53.4	—	-5.3	-5.3
INR								
31 Dec 2024	**—**	**-27.2**	**—**	**-27.2**	**27.1**	**—**	**-2.7**	**-2.7**
31 Dec 2023	—	-22.5	—	-22.5	23.0	—	-2.3	-2.3
USD								
31 Dec 2024	**2.4**	**0.2**	**-0.1**	**2.4**	**-2.6**	**-0.2**	**0.3**	**—**
31 Dec 2023	2.2	—	-0.1	2.1	-2.3	-0.2	0.2	—
Other								
31 Dec 2024	**-6.2**	**—**	**0.6**	**-5.6**	**3.0**	**0.6**	**-0.3**	**0.3**
31 Dec 2023	-2.2	—	2.0	-0.2	—	—	—	—

[1] The maximum pre-tax effect (EUR million) of 10% negative change in exchange rates on the Group's foreign exchange position over the following year.

Translation risk

According to the Treasury Policy, hedging translation exposure is subject to the Board of Directors' decision. Exposure includes the acquisition price, share capital and restricted and non-restricted reserves of subsidiaries in non-euro countries, as well as the result of the period. NOK 15 293 and SEK 7 153 million exposure forms the majority of the translation risk. The translation position was unhedged at the end of 2024. See also note 24.

Interest rate risk management

The most significant part of the Group's interest rate risk arises from its borrowings and financial investments. The objective of interest rate risk management is to minimize the effect of interest rate fluctuations on Tietoevry's annual results and economic positions. Group Treasury is responsible for the monitoring and operative management of the Group's interest rate position which includes loans, financial investments and interest rate derivative contracts. According to the Treasury Policy, 24 months is defined as a benchmark for the Group's interest rate position, in terms of weighted average time to re-pricing. At the end of 2024, the ratio was at 10 months (17 months in 2023) with the approval of the Audit and Risk Committee.

	Amount		Average rate, %		
EUR million	Fixed rate	Floating rate	Fixed rate	Floating rate	Rate sensitivity[1]
31 Dec 2024					
Bond[2]	-299.8	—	2.0	—	—
Cash and cash equivalents	185.4	9.7	—	6.1	0.1
Other loans	-42.8	-562.0	4.7	4.6	-5.6
Other loan receivables	29.2	—	4.5	—	—
Leasing	-191.6	—	6.2	—	-1.9
Interest rate derivatives[3]	-140.0	140.0	3.2	3.5	1.4
31 Dec 2023					
Bond and Commercial paper[2]	-399.1	-66.1	1.8	4.2	-0.7
Cash and cash equivalents	195.7	20.5	—	6.1	0.2
Other loans	-49.4	-433.8	5.0	4.8	-4.3
Other loan receivables	28.9	—	3.9	—	—
Leasing	-209.5	—	6.0	—	-2.1
Interest rate derivatives[3]	-140.0	140.0	3.2	4.0	1.4

[1] The maximum pre-tax effect (EUR million) of 1% rise in interest rates on the Group's net interest expenses over the following year.

[2] The duration of underlying instruments was 0.5 years (1.1 in 2023).

[3] The interest rate derivatives are presented as nominal values.

Commodity risk management

The majority of electricity procurement has been centralized to selected supplier and under the selected model, the Group does not enter into any new electricity derivative agreements in its own name.

Credit risk management

Credit risk is managed on Group level. Credit risk derives from financial investments, derivative contracts and customer-related risks, such as accounts receivable. Group Treasury maintains a list of approved counterparts for commercial paper investments and other financial transactions. Core banks of the Group should have a minimum long-term rating of Baa3 or BBB-.

Customer-related credit risks are assessed based on payment history and financial strength in accordance with the Credit Policy. The Credit Policy defines the limits for the acceptable level of customer credit risk in terms of invoicing schedules and payment terms. The maximum exposure to customer related credit risk at the reporting date is the carrying value of trade receivables. There are no major concentrations of credit risk in the Group, whether through exposure to individual customers, specific industry sectors and/or regions.

Liquidity risk management and funding

Liquidity risk management and funding principles are defined in the Treasury Policy. One of the key tasks of Group Treasury is to secure adequate funding for the Group. The Group has a sustainability-linked revolving credit facility of EUR 250 million, which was not in use at the end of December. The revolving credit facility matures in 2028 and has a one-year extension option. It is linked to selected sustainability targets of Tietoevry and hence supports the company's commitments to Science Based Targets. The Group has an overdraft facility and an uncommitted EUR 250 million commercial paper programme available to maintain flexibility in funding. In addition, the Group has two facilities for the sale of receivables, EUR 50 million and SEK 550 million.

In December, the Group signed a two-year term loan facility of EUR 300 million from Nordea Bank Abp, Danske Bank A/S and OP Corporate Bank plc to be used for refinancing of the EUR 300 million bond.

Debt structure

The table below summarises the maturity profile of the Group's financial liabilities based on the contractual undiscounted payments.

31 Dec 2024			Amount	Maturity structure					
EUR million		Amount drawn	available	2025	2026	2027	2028	2029	2030–
Loans	Bonds	300.0	—	300.0	—	—	—	—	—
	Revolving credit facility	—	250.0	—	—	—	—	—	—
	European Investment Bank	39.2	—	13.1	13.1	13.1	—	—	—
	OP Corporate Bank	174.0	—	—	—	—	174.0	—	—
	Nordea	100.0	—	—	100.0	—	—	—	—
	Nordea and SEB	250.0	—	—	—	250.0	—	—	—
	Other loans	42.8	—	22.8	15.4	4.2	0.4	—	—
		906.0	**250.0**	**335.9**	**128.5**	**267.2**	**174.4**	**—**	**—**
	Interest payments	—	—	33.0	25.7	20.7	8.3	—	—
Trade payables	Outflow	174.8	—	174.8	—	—	—	—	—
Other liabilities	Lease liabilities	223.7	—	58.5	44.5	34.7	27.5	11.6	46.9
Derivative liabilities	Foreign exchange forward contracts	—	—	7.1	—	—	—	—	—
	Interest rate swaps	—	—	—	—	3.6	12.9	—	—
Total		**1 304.5**	**250.0**	**609.3**	**198.7**	**326.2**	**223.1**	**11.6**	**46.9**

31 Dec 2023			Amount	Maturity structure					
EUR million		Amount drawn	available	2024	2025	2026	2027	2028	2029–
Loans	Bond	400.0	—	100.0	300.0	—	—	—	—
	Commercial paper programme	67.0	—	67.0	—	—	—	—	—
	Revolving credit facility	—	250.0	—	—	—	—	—	—
	Liabilities towards joint ventures	3.0	—	3.0	—	—	—	—	—
	European Investment Bank	52.3	—	13.1	13.1	13.1	13.1	—	—
	OP Corporate Bank	174.0	—	—	—	—	—	174.0	—
	Syndicated term loan	208.3	—	208.3	—	—	—	—	—
	Other loans	49.4	—	21.0	17.0	10.1	1.2	—	—
		954.1	**250.0**	**412.5**	**330.1**	**23.2**	**14.3**	**174.0**	**—**
	Interest payments	—	—	27.3	16.9	9.7	8.7	8.8	—
Trade payables	Outflow	206.9	—	206.9	—	—	—	—	—
Other liabilities	Lease liabilities	248.2	—	59.5	46.0	33.3	25.8	23.7	59.8
Derivative liabilities[1)]	Foreign exchange forward contracts	—	—	4.9	—	—	—	—	—
	Interest rate swaps	—	—	—	—	—	4.7	15.3	—
Total		**1 409.1**	**250.0**	**711.0**	**393.0**	**66.2**	**53.5**	**221.8**	**59.8**

[1)] Derivative liabilities have been included in this summary in 2024, with comparative information added for 2023.

Capital management

The objective is to keep the capital structure on a level securing adequate financial flexibility for the operations. The capital structure of the Group is being continuously monitored through Net debt/EBITDA ratio. The ratio is calculated by dividing interest-bearing net debt with the last 12 months' EBITDA of the Group. Net debt/EBITDA ratio is a covenant used in certain funding arrangements. Tietoevry Group is within limits for this covenant as at the reporting date and comparative period.

	31 Dec 2024	31 Dec 2023
Net debt[1)]	871.8	911.8
12 months EBITDA[2)]	393.6	412.8
Net debt/EBITDA	2.2	2.2

[1)] Interest-bearing liabilities – interest-bearing receivables – cash and cash equivalents
[2)] EBITDA = EBIT + Depreciation + Amortization + Impairment

21. Interest-bearing loans and borrowings

The Group's interest-bearing liabilities consist of bonds, other loans, lease liabilities and cash pool liabilities towards joint ventures.

ACCOUNTING POLICIES

Interest-bearing loans and borrowings are initially recognized at fair value, net of transaction costs which are recognized in the income statement as interest expenses over the loan-term. Debt is classified as short-term if it is payable within 12 months, otherwise it is classified as non-current.

EUR million	31 Dec 2024	31 Dec 2023
Non-current		
Bonds	—	298.8
Other loans	569.6	240.8
Lease liabilities	142.6	161.4
Total	**712.1**	**701.0**
Current		
Bonds	299.8	100.4
Other loans	35.2	308.5
Cash pool liabilities towards joint ventures	—	3.0
Lease liabilities	50.5	50.3
Total	**385.4**	**462.2**
Total Interest bearing loans and borrowings	**1 097.5**	**1 163.2**

More information on debt structure and carrying interest rates is disclosed in note 20.

Change in liabilities arising from financing activities

			Non-cash changes						
EUR million	1 Jan 2024	Cash flows	Foreign exchange gains and losses	Reclassification	Acquisitions and disposals	New lease contracts	De-recognized contracts	Other	31 Dec 2024
Non-current interest-bearing loans	539.5	28.2	0.0	1.8	—	0.2	—	-0.1	569.6
Current interest-bearing loans	411.9	-73.9	—	-1.8	—	0.9	—	-2.3	334.9
Lease liabilities	211.7	-56.6	-4.4	—	—	78.7	-36.8	0.5	193.0
Total	**1 163.2**	**-102.3**	**-4.4**	**—**	**—**	**79.7**	**-36.8**	**-1.9**	**1 097.5**

			Non-cash changes						
EUR million	1 Jan 2023	Cash flows	Foreign exchange gains and losses	Reclassification	Acquisitions and disposals	New lease contracts	De-recognized contracts	Other	31 Dec 2023
Non-current interest-bearing loans	639.4	114.5	—	-229.5	—	14.9	—	0.3	539.5
Current interest-bearing loans	110.6	63.9	—	229.5	—	7.0	—	0.9	411.9
Lease liabilities	210.0	-58.1	-5.7	—	2.2	79.5	-17.3	1.0	211.7
Total	**960.1**	**120.2**	**-5.7**	**—**	**2.2**	**101.4**	**-17.3**	**2.2**	**1 163.2**

22. Financial income and expenses

Financial income and expenses comprise interest, foreign exchange gains and losses and other financial income and expenses, such as fees to banks.

2024 EUR million	Interest income	Interest expenses	Foreign exchange gains and losses	Other financial income	Other financial expenses	Total
Financial assets at fair value through profit or loss	1.3	—	-12.0	—	-1.7	-12.5
Financial assets at amortized cost	5.6	—	9.4	0.1	—	15.1
Financial liabilities at fair value through profit or loss	—	-0.6	—	—	—	-0.6
Financial liabilities measured at amortized cost	—	-49.8	—	—	-3.7	-53.5
Net defined benefit obligation	—	-0.3	—	—	—	-0.3
Total	**6.9**	**-50.6**	**-2.6**	**0.1**	**-5.5**	**-51.7**

2023 EUR million	Interest income	Interest expenses	Foreign exchange gains and losses	Other financial income	Other financial expenses	Total
Financial assets at fair value through profit or loss[1, 2]	16.4	—	4.2	—	-2.7	17.8
Financial assets at amortized cost[1)]	7.1	—	-1.0	0.3	—	6.3
Financial liabilities at fair value through profit or loss[1)]	—	-21.0	—	—	—	-21.0
Financial liabilities measured at amortized cost[2)]	—	-36.3	—	—	-1.4	-37.7
Net defined benefit obligation	—	-0.3	—	—	—	-0.3
Total	**23.5**	**-57.6**	**3.1**	**0.3**	**-4.1**	**-34.9**

1) Interest income and expenses related to interest rate swaps have been reclassified from Financial assets at amortized cost to Financial assets/liabilities at fair value through profit or loss. The comparative information was updated accordingly.

2) Financial expenses related to trade receivables sold via non-recourse arrangements are included in Financial assets at fair value through profit or loss. The comparative information was updated accordingly.

In addition, foreign exchange gains and losses included in the operating profit were EUR -1.3 (0.5) million in 2024.

23. Financial assets and liabilities

Financial assets and liabilities of the Group consist of trade receivables, cash and cash equivalents, lease receivables and payables, trade payables, derivatives (see note 24), bonds and other interest-bearing liabilities (see note 21).

ACCOUNTING POLICIES

All financial assets and liabilities are initially recognized at fair value, and subsequently classified either as financial assets at amortized cost or financial assets through profit or loss.

Financial assets at amortized cost

Financial assets are accounted at amortized cost only when the asset is held within a business model with the objective to collect contractual cash flows, which are solely payments of principal and interest.

This category of financial assets includes trade and other receivables, cash and cash equivalents, lease receivables and other interest-bearing receivables.

Financial assets in this category are carried at amortized cost in accordance with the effective interest method with interest income recognized in profit or loss under financial items, see note 22.

Financial liabilities at amortized cost

Financial liabilities in this category are initially recognized at fair value, net of transaction costs directly associated with the borrowing. For interest-bearing liabilities, after initial recognition, liabilities are measured using the effective interest rate method, taking into account any issue costs and any discount or premium on settlement. The related interest expenses are recognized in profit or loss in financial items, see note 22.

Financial assets and liabilities at fair value through profit or loss

Financial assets and liabilities in this category are recognized in the statement of financial position at their fair value with gains or losses resulting from changes in the fair value, being recognized in the income statement.

This category consists mainly of derivatives. Gains or losses from the revaluation of derivative contracts that relate to financial items (loans, cash, leases) are presented as financing costs, see note 22, whereas gains or losses from derivatives, mainly currency forward contracts that relate to operating activities, are included in operating profit.

Trade receivables to be sold via non-recourse arrangements are classified as financial assets at fair value through profit or loss (certain customers).

Other investments include unlisted shares, where the cost is considered to be a reasonable approximation of their fair value.

Determination of fair values

The classification of financial assets and liabilities measured at fair value in the statement of financial position is based on three hierarchy levels:

- Level 1: quoted prices in active markets for given or identical assets or liabilities that the entity can access at the measurement date;
- Level 2: inputs that are observable for the asset or liability, either directly or indirectly;

The carrying amount of all financial assets and liabilities, carried at amortized cost is considered to provide a reasonable approximation of their fair value, due to the short maturity and liquid nature of these items, except for bonds which are traded on an active market.

The fair values of derivatives are determined based on prevailing marked quotes at the reporting date. The fair values of foreign exchange derivatives are calculated according to foreign exchange and interest rates on the closing date.

Financial assets

EUR million	Note	31 Dec 2024	31 Dec 2023	Fair value hierarchy
Financial assets at fair value through profit or loss				
Non-current				
Other financial assets at fair value through profit or loss		0.5	0.6	Level 3
Non-current derivative receivables[1)]	24	11.8	15.5	Level 2
Current				
Trade receivables at fair value through profit or loss		11.1	11.6	Level 2
Current derivative receivables	24	2.7	5.8	Level 2
Financial assets at amortized cost				
Non-current				
Other loan receivables, interest-bearing		14.7	15.1	Level 2
Lease receivables	16	—	0.0	Level 2
Current				
Other loan receivables, interest-bearing	17	14.5	14.4	Level 2
Lease receivables	16	1.4	2.2	Level 2
Trade receivables	17	391.8	476.8	Level 2
Accrued interest income[1)]	17	0.0	0.0	Level 2
Cash and cash equivalents	25	195.1	219.6	Level 2
Total		**643.6**	**761.7**	

Financial liabilities

EUR million	Note	31 Dec 2024	31 Dec 2023	Fair value hierarchy
Financial liabilities at fair value through profit or loss				
Non-current derivative liabilities[1)]	24	16.5	20.0	Level 2
Current derivative liabilities	24	7.1	4.9	Level 2
Financial liabilities measured at amortized cost				
Non-current				
Lease liability	16, 21	142.6	161.4	Level 2
Bonds[2)]	21	—	298.8	Level 1
Other loans	21	569.6	240.8	Level 2
Current				
Trade payables	19	174.8	206.9	Level 2
Accrued interest[1)]	19	12.1	8.8	Level 2
Lease liability	16, 21	50.5	50.3	Level 2
Bonds[2)]	21	299.8	100.4	Level 1
Other loans	21	35.2	311.6	Level 2
Total		**1 308.1**	**1 403.7**	

1) Comparative information has been updated, see note 24.

2) Fixed rate bond where carrying amount of EUR 299.8 million has not been adjusted to match the fair value of EUR 298.3 million. Fair value of the bond has been calculated based on the prevailing market rate at the end of the reporting period.

There has been no movement between the fair value hierarchy levels during 2024.

24. Derivatives

Tietoevry Treasury uses currency forward and interest rate swap contracts to manage identified currency and interest rate risks. More information on financial risk management is in note 20 and on the accounting policies applied in note 23. Derivatives are used for economic purposes only.

Nominal amounts of derivatives

The nominal values of derivatives include the gross amount of all nominal values for contracts that have not yet been settled or closed. The amount of nominal value outstanding is not necessarily a measure or indication of market risk, as the exposure of certain contracts may be offset by other contracts.

EUR million	31 Dec 2024	31 Dec 2023
Foreign exchange forward contracts	536.3	523.9
Interest rate swaps	280.0	280.0

Fair values of derivatives

EUR million	31 Dec 2024	31 Dec 2023
Gross positive fair values, foreign exchange forward contracts	2.7	5.8
Gross negative fair values, foreign exchange forward contracts	-7.1	-4.9
Gross positive fair values, interest rate swaps	11.8	15.5
Gross negative fair values, interest rate swaps	-16.5	-20.0
The net fair values at the reporting date	**-9.1**	**-3.6**

The fair values of foreign exchange derivatives are calculated according to foreign exchange and interest rates on the closing date. All outstanding currency derivative contracts will expire within 12 months after the reporting date.

The interest rate swaps have been reclassified from current assets and liabilities to non-current assets and liabilities at fair value through profit or loss based on their maturities. The comparative information was updated accordingly. The fair values of interest rate swaps are based on the values of corresponding agreements confirmed by the bank.

Offsetting financial assets and liabilities

Agreements with derivatives' counterparties are based on ISDA Master Agreements or on agreements with similar content with regards to offsetting financial assets and liabilities.

Based on the terms of these agreements, offsetting is possible only under certain circumstances, such as default of either of the parties or other force majeure events. If any of those occur, then the net position owing/ receivable to a single counterparty will be taken as owing.

31 Dec 2024 EUR million	Gross amounts of recognized financial instruments in the statement of financial position[1)]	Related amounts not set off in the statement of financial position		Net amount
		Financial Instruments	Cash collateral received	
Derivative financial assets				
Foreign exchange forward contracts	2.7	-1.9	—	0.7
Interest rate swaps	11.8	-11.8	—	—
Derivative financial liabilities				
Foreign exchange forward contracts	-7.1	1.9	—	-5.2
Interest rate swaps	-16.5	11.8	—	-4.7

1) No amounts have been offset in the statement of financial position

31 Dec 2023 EUR million	Gross amounts of recognized financial instruments in the statement of financial position[1)]	Related amounts not set off in the statement of financial position		Net amount
		Financial Instruments	Cash collateral received	
Derivative financial assets				
Foreign exchange forward contracts	5.8	-3.1	—	2.7
Interest rate swaps	15.5	-15.5	—	—
Derivative financial liabilities				
Foreign exchange forward contracts	-4.9	3.1	—	-1.8
Interest rate swaps	-20.0	15.5	—	-4.6

1) No amounts have been offset in the statement of financial position

25. Cash and cash equivalents

Cash and cash equivalents comprise cash balances and cash deposits with banks and other liquid investments that are readily convertible to a known amount of cash within three months and which are subject to an insignificant risk of changes in value. Bank overdrafts are included in current liabilities in the statement of financial position. Cash and cash equivalents are carried at nominal value, which corresponds to their fair value.

EUR million	31 Dec 2024	31 Dec 2023
Cash in hand and at bank	185.4	195.7
Short-term deposits	9.7	24.0
Total	**195.1**	**219.6**

Cash and cash equivalents include restricted cash of EUR 14.6 million, held within bank accounts in Ukraine. At 31 December 2023, cash and cash equivalents included restricted cash of EUR 28.5 million, including EUR 18.2 million held within bank accounts in Ukraine, as well as EUR 10.3 million restricted for 3 working days in connection with the sale of a data centre and office building in Norway at year-end.

26. Share capital and reserves

Tietoevry has one class of shares, and each share has one vote at the Annual General Meeting and equal rights to dividend and other distribution of assets. The company's Articles of Association includes a voting constraint at the Annual General Meeting that nobody is entitled to vote on more than one-fifth of the votes represented at the Annual General Meeting.

Tietoevry's shares have no nominal value and their book value counter value is one euro. All issued shares have been fully paid.

ACCOUNTING POLICIES

Dividends proposed by the Board of Directors are not deducted from distributable equity until approved by the Annual General Meeting of Shareholders.

When the company's own shares are repurchased, the amount of the consideration paid, including directly attributable costs, is recognized as a deduction in equity.

EUR million	Number of shares	Share capital	Share issue premiums and other reserves	Invested unrestricted equity reserve	Total
1 Jan 2023	118 413 303	76.6	39.3	1 203.5	1 319.4
Purchase of own shares	-325 000	—	—	—	—
Shares delivered from the share-based incentive plans[1)]	302 789	—	—	—	—
Translation difference	—	—	0.1	—	0.1
31 Dec 2023	**118 391 092**	**76.6**	**39.4**	**1 203.5**	**1 319.5**
Forfeiture of shares[2)]	-10 560	—	—	—	—
Shares delivered from the share-based incentive plans[3)]	214 379	—	—	—	—
Translation difference	—	—	-0.8	—	-0.8
31 Dec 2024	**118 594 911**	**76.6**	**38.5**	**1 203.5**	**1 318.6**
Own shares[4)]	45 239				
Total number of shares on 31 Dec 2024[4)]	**118 640 150**				

[1)] During 2023, the shares were granted from own shares without impact on share capital.

[2)] The Annual General Meeting 2024 decided on the forfeiture of shares entered in the joint account of the company as well as of the rights attached to such shares. The shares on the joint account were transferred to Tietoevry's ownership on 23 July 2024.

[3)] On 24 April 2024, the Board of Directors resolved on a directed share issue without payment in order to pay the rewards of the Performance Share Plan 2021–2023 and Restricted Share Plan 2021–2023 to the eligible reward recipients. A total of 214 379 new shares were registered with the Trade Register on 14 May 2024.

[4)] On 31 Dec 2023, the number of shares in the company's possession totalled 34 679 and the total number of shares was 118 425 771.

Share capital

The share subscription price received in connection with the share issues is entered in share capital to the extent that it has not been recorded in the invested unrestricted equity reserve according to the share issue decision.

Share issue premiums and other reserves

Share issue premiums and other reserves include share issue premium of the parent company and the statutory reserve fund of Tietoevry Tech Services AB.

Invested unrestricted equity reserve

The invested unrestricted equity reserve includes the subscription price of shares to the extent that it has not been recorded in share capital according to specific resolution.

Retained earnings

In addition to accumulated profits less dividends paid out, retained earnings include the following:

- Costs of share-based payments which are accounted for as equity-settled and recognized as an employee benefit expense during the vesting period with a corresponding entry in equity. More information is disclosed in note 12.
- Remeasurements of the defined benefit plans arising from experience adjustments and changes in actuarial assumptions. More information is disclosed in note 13.
- Treasury shares. The Annual General Meeting 2024 decided on the forfeiture of 10 560 shares entered in the joint account of the company as well as of the rights attached to such shares. The shares on the joint account were transferred to Tietoevry's ownership on 23 July 2024.
- Cumulative translation differences arising from the translation of foreign Group companies' assets and liabilities into euro; and
- Other retained earnings and losses.

The cumulative translation differences were EUR -347.8 (-276.8) million. The translation differences in Other comprehensive income were EUR -80.8 (-99.8) million. The majority of these arise on the NOK and SEK foreign currency translation exposures. In 2024, both currencies weakened against the Euro, NOK by 4.9% and SEK by 3.3%, resulting in a negative effect on the Other comprehensive income. In 2023, NOK weakened by 6.9% against the Euro whereas SEK strengthened by 0.2%, resulting in a negative net effect on the Other comprehensive income.

Distributable funds

On 31 Dec 2024, the distributable funds of the parent company totalled EUR 1 299.7 million of which retained earnings were EUR 35.9 million and net profit for the financial year EUR 56.2 million. The Board of Directors proposes to the Annual General Meeting in 2025 that a dividend from retained earnings and/or distribution of funds from the reserve of invested unrestricted equity in the total amount of EUR 1.50 per share will be paid for 2024 (dividend of EUR 1.47 per share paid for 2023).

OTHER INFORMATION

This section includes information about the Group structure, joint ventures, related parties and commitments.

27. Acquisitions and divestments

ACCOUNTING POLICIES

Business combinations are accounted for using the acquisition method. Subsidiaries are consolidated from the date on which control is achieved until the date on which control ceases by using the acquisition method. The consideration transferred for the acquisition is the fair values of the assets transferred and the liabilities assumed. Acquisition related costs are recognised as expenses for the period in which they are incurred.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the consideration transferred over the fair value of the identifiable net assets acquired is recognized as goodwill at the acquisition date. If the cost of the acquisition is less than the fair value of the net assets acquired in the case of a bargain purchase, the resulting gain is recognized in profit or loss.

When a disposed operation is part of a cash-generating unit (CGU) to which goodwill has been allocated, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Assets held for sale

Non-current assets are classified as held for sale if their carrying amounts are expected to be recovered principally through sale and the sale is highly probable. From the date of classification, the assets are measured at the lower of the carrying amount and the fair value less costs to sell, and the recognition of depreciation is discontinued.

Acquisition of MentorMate in 2023

In July 2023, Tietoevry acquired 100% of the shares of MentorMate, a digital engineering company headquartered in Minneapolis, USA. Acquisition accounting for MentorMate was presented as provisional in December 2023 and there were no changes to the provisional amounts in 2024. The following table summarizes the fair values of the assets and the liabilities recognized at the acquisition date and the consideration paid.

EUR million	
Intangible assets	22.5
Property, plant and equipment	0.9
Right-of-use assets	2.2
Other non-current receivables	0.2
Trade and other receivables	8.9
Cash and cash equivalents	6.3
Non-current lease liabilities	-1.7
Deferred tax liabilities	-5.6
Trade and other payables	-7.9
Current lease liabilities	-0.6
Total net assets acquired	**25.3**
Goodwill	**137.4**
Total	**162.6**
Consideration paid in cash	162.6
Cash and cash equivalent balances acquired	-6.3
Net cash flow on acquisition	**156.3**

The identified intangible assets relate to customer relationships and marketing. Fair values for the intangible assets were determined using appropriate valuation methods including the multi-period excess earnings method for customer relationship related intangible assets and the relief from royalty method for marketing related intangible assets. The amortization periods for these intangible assets are 6 years and 1.4 years, respectively. The goodwill is attributable to the expected synergies, the skilled assembled workforce obtained through the acquisition and future customers. The goodwill is deductible for tax purposes.

The fair value of the receivables amounted to EUR 9.1 million on 21 July 2023 including trade receivables of EUR 7.9 million. The full contractual amounts have been collected. The Group measured the lease liabilities assumed using the present value of the remaining lease payments at the acquisition date. The right-of-use assets were measured at an amount equal to the lease liabilities.

In 2023, from the acquisition date, MentorMate contributed EUR 29.4 million in revenue and EUR 2.9 million in net profit to the Group's consolidated statement of comprehensive income. The Group revenues for the year would have been approximately EUR 2 890 million and Group net profit would have been approximately EUR 177 million, if MentorMate had been consolidated from 1 January 2023.

Divestments in 2023

In 2023, Tietoevry sold its wood supply software business to Vela Software International Inc., which is headquartered in Toronto Canada. Revenue of the divested business amounted to approximately EUR 3.0 million in 2022 and the number of employees was approximately 30 across Sweden, Finland and India. The wood supply software business was part of Tietoevry Industry. The gain recognised on the disposal was EUR 0.9 million.

28. Subsidiaries

Subsidiary shares owned by the Parent company

Company name	Domicile	Parent company's holding %
EVRY Card Issuing AS	Norway	100.0
EVRY Card Payments AS	Norway	100.0
EVRY Card Services AS	Norway	100.0
Infopulse Brasil Servicos Technologicos Ltda.	Brazil	1.0
Tieto (Beijing) Technology Co., Ltd.	China	100.0
Tieto China Co., Ltd.	China	100.0
Tieto Germany GmbH	Germany	100.0
Tieto Global Oy	Finland	100.0
Tieto Great Britain Ltd.	Great Britain	100.0
Tieto Lietuva UAB	Lithuania	100.0
Tieto Netherlands Holding B.V.	Netherlands	100.0
Tieto Poland Sp. z o.o	Poland	100.0
Tieto Support Services Sp. z o.o.	Poland	100.0
Tietoevry 13 Oy (former Tieto Esy Oy)	Finland	100.0
Tietoevry AB	Sweden	100.0
Tietoevry Accounting AS	Norway	100.0
Tietoevry Austria GmbH	Austria	100.0
Tietoevry Banking Finland Oy	Finland	100.0
Tietoevry Banking Latvia SIA	Latvia	100.0
Tietoevry Create Romania s.r.l.	Romania	100.0
Tietoevry Czechia s.r.o.	Czech Republic	100.0
Tietoevry Czechia Support Services s.r.o.	Czech Republic	100.0
Tietoevry Denmark A/S	Denmark	100.0
Tietoevry DK A/S	Denmark	100.0
Tietoevry Estonia AS	Estonia	100.0
Tietoevry Finland Oy	Finland	100.0

Company name	Domicile	Parent company's holding %
Tietoevry Finland Support Services Oy	Finland	100.0
Tietoevry Fintech Estonia OÜ	Estonia	100.0
Tietoevry Fintech Norway AS	Norway	100.0
Tietoevry Fintech Sweden AB	Sweden	100.0
Tietoevry Inc.	The United States	100.0
Tietoevry Latvia SIA	Latvia	100.0
Tietoevry Malaysia Sdn. Bhd.	Malaysia	100.0
Tietoevry Norway AS	Norway	100.0
Tietoevry Slovakia s.r.o.	Slovakia	100.0
Tietoevry Tech Services AB	Sweden	100.0
Tietoevry Tech Services Czechia s.r.o.	Czech Republic	100.0
Tietoevry Tech Services Finland Oy	Finland	100.0
Tietoevry Tech Services Latvia SIA	Latvia	100.0
Tietoevry Tech Services Norway AS	Norway	100.0
Tietoevry Tech Services Slovakia s.r.o.	Slovakia	15.0
Dormant subsidiaries (1 in total)		

Shares in Group companies owned by subsidiaries

Company name	Domicile	Group holding %
Avega Catalyst AB	Sweden	100.0
Avega Clarity AB	Sweden	100.0
Avega Complius AB	Sweden	100.0
Avega Dinamiko AB	Sweden	100.0
Avega Effectus AB	Sweden	100.0
Avega Group AB	Sweden	100.0
Avega Kipeo AB	Sweden	100.0
Avega Kite AB	Sweden	100.0
Avega Mtoni AB	Sweden	100.0
Avega Nuvem AB	Sweden	100.0
Avega Qurio AB	Sweden	100.0
Avega Scire AB	Sweden	100.0
Avega Sempai AB	Sweden	100.0
Avega Senso AB	Sweden	100.0
Bekk Consulting AS	Norway	100.0
EVRY Card Services AB	Sweden	100.0
EVRY Card Services Oy	Finland	100.0
EVRY Financial Service UK Ltd.	Great Britain	100.0
EVRY India Pvt. Ltd.	India	100.0
EVRY USA Corporation	The United States	100.0
Eye-share AS	Norway	100.0
Eye-share Singapore Pte. Ltd.	Singapore	100.0
Gjeldsregisteret AS	Norway	100.0
Infopulse Brasil Servicos Technologicos Ltda.	Brazil	99.0
Infopulse Bulgaria Ltd.	Bulgaria	100.0
Infopulse Europe GmbH	Germany	100.0
Infopulse Poland Sp. z o.o.	Poland	100.0

Company name	Domicile	Group holding %
Infopulse Ukraine LLC	Ukraine	100.0
MentorMate Bulgaria Ltd.	Bulgaria	100.0
MentorMate Paraguay S.R.L.	Paraguay	100.0
MentorMate, LLC	The United States	100.0
NUK Holding AB	Sweden	100.0
Tieto Ukraine Support Services LLC	Ukraine	100.0
Tieto U.S. Inc.	The United States	100.0
Tietoevry Banking Poland Sp. z o.o.	Poland	100.0
Tietoevry Financing AB	Sweden	100.0
Tietoevry Financing AS	Norway	100.0
Tietoevry FinTech DOO	Serbia	100.0
Tietoevry Fintech India Pvt. Ltd.	India	100.0
Tietoevry India Pvt. Ltd.	India	100.0
Tietoevry Pay Oy	Finland	100.0
Tietoevry Sweden AB	Sweden	100.0
Tietoevry Sweden Support Services AB	Sweden	100.0
Tietoevry Tech Services Estonia OÜ	Estonia	100.0
Tietoevry Tech Services India Pvt. Ltd.	India	100.0
Tietoevry Tech Services Lithuania UAB	Lithuania	100.0
Tietoevry Tech Services Slovakia s.r.o.	Slovakia	85.0
Tietoevry Tech Services Sweden AB	Sweden	100.0
Dormant subsidiaries (3 in total)		

All subsidiaries are included in the Group consolidation. In India, the official reporting period is 1 April – 31 March according to the Indian legislation.

29. Interests in joint ventures

At the start of the year, Tietoevry had interests in two joint ventures, Tieto Esy Oy in Finland and BuyPass AS in Norway. By year-end, Tietoevry no longer holds ownership in any joint venture.

ACCOUNTING POLICIES

Companies, where Tietoevry has assumed management responsibility, has contractually based joint control with a third party and has rights to the net assets of the company based on the contractual arrangement are included in the consolidated financial statements as joint ventures. Joint ventures are consolidated by using the equity method under which the investments in joint ventures are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of joint venture's losses exceeds the carrying amount of the investment, the investment is recognized at zero value in the statement of financial position and the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

Sales to and purchases from joint ventures are made on normal market terms and conditions and at market prices. The Group's share of the joint ventures' result for the period is separately disclosed in the income statement.

Reconciliation of carrying value

EUR million	2024	2023
Carrying value, 1 Jan	11.6	14.2
Translation differences	-0.5	-0.6
Share of results	0.9	1.3
Dividends received	-1.0	-1.3
Impairments	-0.3	-2.1
Disposals and other decreases	-10.6	—
Carrying value, 31 Dec	**—**	**11.6**

In 2024, Tietoevry and Norsk Tipping, both with 50% ownership in Buypass AS, jointly entered into an agreement with Total Specific Solutions (TSS) on the sale of their shares in Buypass AS. Buypass was co-founded by Tietoevry and Norsk Tipping in 2001 and has been accounted for as a joint venture in Tietoevry's consolidated financial statements, included in Tietoevry Banking. The transaction closed on 16 October. Tietoevry Banking's share of the joint venture's results was EUR 1.0 (1.3) million. Tietoevry Banking's share of the consideration received was EUR 13.1 million and the resulting net gain of EUR 4.3 million was recognized in other operating income.

In 2024, Tietoevry Create bought the remaining 20% share of the joint venture Tieto Esy Oy, which resulted in an impairment loss of EUR 0.3 million. Tieto Esy has been consolidated as a 100% owned subsidiary since 30 June 2024. The name of Tieto Esy Oy has been changed to Tietoevry 13 Oy. In 2023, as a result of annual impairment testing, Tietoevry Create recognized a goodwill impairment loss of EUR 2.1 million for the carrying value of Tieto Esy Oy.

30. Related party transactions

Related parties of Tietoevry include joint ventures and key management of the company and their close family members. Key management includes the members of the Board of Directors, the Group Executive Management and the President and CEO.

ACCOUNTING POLICIES

Sales to and purchases from related parties are made on normal market terms and conditions and at market prices. There are no commitments or contingencies on behalf of related parties.

The transactions with related parties are presented below. More information on joint ventures is disclosed in note 29. Information on management remuneration is disclosed in note 11.

Transactions and balances with joint ventures

EUR million	31 Dec 2024	31 Dec 2023
Sales	0.4	1.2
Other operating income	0.2	0.6
Purchases	0.3	0.6
Receivables	0.0	0.1
Liabilities including cash pool	0.0	3.1

Transactions with Tieto Esy Oy are included until 31 May, and transactions with Buypass AS are included until 16 October. By year-end, Tietoevry no longer holds ownership in any joint venture.

31. Commitments and contingencies

The Group's commitments and contingencies mainly relate to lease guarantees and performance commitments.

ACCOUNTING POLICIES

Commitments are disclosed when the Group has a contract where the existence of an obligation will be only confirmed in the future.

Contingent liabilities are possible obligations whose existence will be confirmed by uncertain future events that are not wholly within the control of the entity. They can also include obligations that are not recognized in the statement of financial position because settlement is not probable or their amount cannot be measured reliably.

EUR million	31 Dec 2024	31 Dec 2023
For Tietoevry obligations		
Guarantees		
Performance guarantees	161.2	150.6
Payment guarantees	1.4	0.6
Other	—	0.1
Other Tietoevry obligations		
Lease commitments, not yet commenced	8.8	10.7
Other	0.4	0.5
On behalf of third parties		
Guarantees		
Performance guarantees	22.7	23.4

In addition to the above, Tietoevry Oyj or other group companies have provided security on behalf of delivering Group company relating to some major contracts.

32. Events after the reporting period

There were no material events after the reporting period.

PARENT COMPANY´S FINANCIAL STATEMENTS (According to Finnish Accounting Standards)

Income statement

EUR	Note	2024	2023
Net sales	1	159 318 730.62	174 294 044.70
Other operating income	2	18 625 597.04	31 773 209.71
Personnel expenses	3	-15 812 467.06	-15 468 496.71
Depreciation and impairment losses	8, 9	-24 400 008.76	-24 584 732.95
Other operating expenses	4	-188 706 182.23	-214 599 710.45
Operating loss		**-50 974 330.39**	**-48 585 685.70**
Financial income and expenses	6	12 677 819.00	95 450 986.94
Profit/loss before appropriations and taxes		**-38 296 511.39**	**46 865 301.24**
Appropriations			
Appropriations		-499 704.05	-29 368.89
Group contribution		102 200 000.00	75 000 000.00
Profit before taxes		**63 403 784.56**	**121 835 932.35**
Income taxes	7	-7 213 616.60	-2 137 958.13
Net profit for the financial year		**56 190 167.96**	**119 697 974.22**

Balance Sheet

Assets

EUR	Note	31 Dec 2024	31 Dec 2023
Non-current assets			
Intangible assets	8	108 140 827.76	131 692 801.99
Tangible assets	9	734 042.95	814 718.41
Investments	10	2 234 799 788.80	2 404 283 993.18
Total non-current assets		**2 343 674 659.51**	**2 536 791 513.58**
Current assets			
Long-term receivables			
Loan receivables from Group companies	11	94 116 207.08	90 205 736.24
Other receivables[1)]	11	13 574 388.46	16 101 039.90
		107 690 595.54	**106 306 776.14**
Current receivables			
Accounts receivables	12	121 333.39	149 915.85
Receivables from Group companies	12, 13	199 291 370.02	178 230 090.79
Receivables from joint ventures	12, 13	—	11 107.76
Other receivables	12	3 164 516.43	9 739 695.69
Prepaid expenses and accrued income[1)]	13	10 618 029.38	8 967 930.00
		213 195 249.22	**197 098 740.09**
Cash and cash equivalents		119 688 724.78	100 717 703.28
Total current assets		**440 574 569.54**	**404 123 219.51**
Total assets		**2 784 249 229.05**	**2 940 914 733.09**

[1)] Comparative information has been updated, see note 21.

Shareholders' equity and liabilities

EUR	Note	31 Dec 2024	31 Dec 2023
Shareholders' equity	14		
Share capital		76 555 412.00	76 555 412.00
Share issue premiums		13 791 579.51	13 791 579.51
Invested unrestricted equity reserve		1 207 617 299.52	1 207 617 299.52
Retained earnings		35 934 291.55	90 421 029.53
Net profit for the financial year		56 190 167.96	119 697 974.22
Total equity		**1 390 088 750.54**	**1 508 083 294.78**
Accumulated appropriations		529 072.94	29 368.89
Provisions	15	288 752.34	64 229.11
Liabilities			
Non-current liabilities			
Bonds	16	—	300 000 000.00
Loans	16	550 153 846.14	212 389 860.56
Other non-current liabilities[1)]	16	16 527 744.11	20 018 003.73
Accrued liabilities and deferred income	16	—	5 480.92
Total non-current liabilities		**566 681 590.25**	**532 413 345.21**
Current liabilities	17		
Bonds		300 000 000.00	100 000 000.00
Advances received		84 162.80	83 264.78
Accounts payables		10 677 112.57	9 091 411.75
Liabilities to Group companies	17, 18	473 491 420.90	478 115 095.80
Liabilities to joint ventures	17, 18	—	3 050 111.71
Loans		13 076 923.08	288 381 846.08
Other current liabilities		7 626 624.48	5 303 900.85
Accrued liabilities and deferred income[1)]	18	21 704 819.15	16 298 864.13
Total current liabilities		**826 661 062.98**	**900 324 495.10**
Total liabilities		**1 393 342 653.23**	**1 432 737 840.31**
Total equity and liabilities		**2 784 249 229.05**	**2 940 914 733.09**

Statement of cash flows

EUR	2024	2023
Cash flow from operating activities		
Net profit/loss before appropriations and taxes	-38 296 511.39	46 865 301.24
Adjustments		
Depreciation, amortization and impairment losses	24 400 008.76	24 584 732.95
Net financial income	-12 677 819.00	-95 450 986.94
Other adjustments	-40 408.04	-22 698.02
Other non-cash items	638 061.52	-1 343 010.46
Cash generated from operating activities before net working capital	**-25 976 668.15**	**-25 366 661.23**
Change in net working capital		
Change in current receivables	62 847 182.16	38 774 072.95
Change in current non-interest bearing liabilities	-31 064 272.36	-53 182 687.53
Cash generated from operating activities	**5 806 241.65**	**-39 775 275.81**
Interest expenses and other financial expenses paid	-76 970 351.54	-71 674 270.59
Interest income received	43 317 667.14	46 856 606.88
Dividend received and equity refund	211 158 638.32	120 742 785.78
Income taxes paid	-4 751 651.06	2 092 004.18
Cash flow from operating activities	**178 560 544.51**	**58 241 850.44**

EUR	2024	2023
Cash flow from investing activities		
Purchase of tangible and intangible assets	-1 010 374.08	-783 162.79
Proceeds from sale of tangible and intangible assets	258 789.01	25 890.00
Investments in subsidiaries	—	-68 393 006.72
Acquisition of subsidiaries	-580 063.54	—
Loans granted	-44 698 203.66	-118 782 614.24
Repayments of other loans	22 862 693.45	71 141 168.28
Cash flow from investing activities	**-23 167 158.82**	**-116 791 725.47**
Cash flow from financing activities		
Dividends paid	-174 184 712.20	-171 667 083.40
Purchase of own shares	—	-9 756 325.65
Proceeds from long-term borrowings	350 000 000.00	214 000 000.00
Repayments of long-term borrowings	-320 815 793.26	-99 502 052.90
Proceeds from short-term borrowings	333 652 285.08	195 677 679.51
Repayments of short-term borrowings	-404 638 405.82	-112 524 409.33
Change in intercompany cash pool, net	4 564 262.01	-97 166 824.86
Group contributions received	75 000 000.00	85 200 000.00
Cash flow from financing activities	**-136 422 364.19**	**4 260 983.37**
Change in cash and cash equivalents	**18 971 021.50**	**-54 288 891.66**
Cash and cash equivalents at the beginning of period	100 717 703.28	155 006 594.94
Cash and cash equivalents at the end of period	119 688 724.78	100 717 703.28
	18 971 021.50	**-54 288 891.66**

Notes to the parent company's financial statements

Parent company accounting principles

The financial statements of the Parent company Tietoevry Corporation are prepared in accordance with Finnish Accounting Standards (FAS).

Tietoevry Corporation (business identity code 0101138-5) is a Finnish public limited IT service and software company organized under the laws of Finland and domiciled in Espoo: Keilalahdentie 2-4, 02101 Espoo, Finland. The company is listed on NASDAQ in Helsinki and Stockholm and the Oslo Stock Exchange. The Board of Directors approved the financial statements on 3 March 2025. According to the Limited Liability Companies Act, at the Annual General Meeting, the shareholders have the right to approve, disapprove or change the financial statements after the publication.

Foreign currency items

Foreign currency transactions are initially translated at the exchange rate prevailing on the transaction date. Foreign currency items at the end of the financial period are valued at the exchange rates on the balance sheet date. Foreign currency items are hedged using derivative contracts.

Exchange gains and losses on net financial liabilities are reported in the income statement under financial items, while other exchange gains or losses are included in operating profit. Gains and losses arising from revaluation of derivative contracts are, depending on their nature, reported either under financial items or operating profit.

Net sales

Net sales include internal service fees and exchange rate differences from accounts receivables, less indirect taxes such as value added tax.

Other operating income

Other operating income includes gain on sale of fixed assets, gain on liquidation of subsidiary shares, rental income and derivative exchange rate gains.

Pension arrangements

The company's pension obligations are administered through pension insurance institutions. Pension obligations are fully covered.

Financial instruments

The company applies the Finnish Accounting Act chapter 5 section 2a and records financial instruments initially at fair value.

See financial instruments accounting policies in the consolidated financial statements note 23.

Appropriations

Group contributions are included in appropriations.

Valuation of fixed assets

Fixed assets are carried at cost less accumulated depreciation. Depreciation is charged according to plan based on the estimated economic lives of the individual assets and accounted for in accordance with the straight-line method.

The company applies the following economic lives:

	Years
Intangible assets (software)	3
Other capitalized expenditure	3–10
Trademark	6
Goodwill from operations	10
Buildings	25–40
Data processing equipment[1)]	3–5
Other machinery and equipment	5
Other tangible assets	5

[1)] Purchases of personal computers are expensed immediately.

Income taxes

The income statement includes the company's income taxes based on taxable profit for the period according to local tax regulations as well as adjustments to prior year taxes. The information related to deferred tax items is included in the notes.

1. Net sales

EUR	2024	2023
Internal service fees	159 318 730.62	174 294 044.70
Total	**159 318 730.62**	**174 294 044.70**

Net sales by country	2024	2023
Finland	43 167 539.20	45 947 589.09
Sweden	38 869 412.80	45 319 419.39
Norway	42 786 739.09	52 331 500.38
Other	34 495 039.53	30 695 535.84
Total	**159 318 730.62**	**174 294 044.70**

2. Other operating income

EUR	2024	2023
Rental income	14 447 526.94	20 152 040.14
Other income	4 178 070.10	11 621 169.57
Total	**18 625 597.04**	**31 773 209.71**

3. Personnel expenses

EUR	2024	2023
Wages and salaries	13 008 716.15	13 644 978.01
Pension expenses	2 449 309.08	1 352 796.53
Other pay-related statutory social costs	354 441.83	470 722.17
Total	**15 812 467.06**	**15 468 496.71**

The parent company had an average of 90 employees during 2024 and 92 employees in 2023.

4. Other operating expenses

EUR	2024	2023
Information and communication technology	29 329 901.99	28 581 673.92
Internal service fees	110 178 705.59	120 652 091.20
Premises related costs	13 841 600.21	19 879 920.12
Professional services and marketing	16 924 039.36	20 989 127.91
Derivative exchange rate losses on other expenses	4 165 123.88	11 227 622.14
Other operating expenses	14 266 811.20	13 269 275.13
Total	**188 706 182.23**	**214 599 710.42**

Fees to auditors

EUR	2024	2023
Audit fees	778 000.00	748 000.00
Sustainability statement assurance	108 000.00	—
Other audit related fees	229 000.00	253 300.00
Other services	120 000.00	30 000.00
Total	**1 235 000.00**	**1 031 300.00**

5. Management remuneration

See note 11 in Notes to the consolidated financial statements.

6. Financial income and expenses

EUR	2024	2023
Dividend income		
Dividend income from Group companies	210 935 019.62	120 333 905.61
Dividend income from joint ventures	—	408 767.77
Dividend income from other companies	105.93	112.40
	210 935 125.55	**120 742 785.78**
Other interest and financial income		
From Group companies	17 991 714.21	7 158 371.56
From other companies	60 874 633.41	102 703 903.09
	78 866 347.62	**109 862 274.65**
Impairment and other adjustments to investments, net[1)]	-165 340 755.15	—
Interest and other financing expenses		
To Group companies	-11 782 285.73	-8 724 272.80
To other companies	-100 000 613.29	-126 429 800.69
	-111 782 899.02	**-135 154 073.49**
Total	**12 677 819.00**	**95 450 986.94**

[1)] Relates mainly to the impairment of subsidiary shares, see note 10.

7. Income taxes

EUR	2024	2023
Taxes for the financial period / appropriations	20 340 059.19	14 994 126.22
Taxes for the financial period / regular operations	-13 123 284.47	-13 562 980.59
Taxes for the previous years	-3 158.12	706 812.50
Total	**7 213 616.60**	**2 137 958.13**

8. Intangible assets

EUR	31 Dec 2024	31 Dec 2023
Intangible rights		
Acquisition cost, 1 Jan	24 249 592.04	24 249 592.04
Acquisition cost, 31 Dec	**24 249 592.04**	**24 249 592.04**
Accumulated amortization, 1 Jan	20 405 362.68	18 405 050.93
Amortization for the period	1 994 495.40	2 000 311.75
Accumulated amortization, 31 Dec	**22 399 858.08**	**20 405 362.68**
Book value, 31 Dec	1 849 733.96	3 844 229.36
Goodwill		
Acquisition cost, 1 Jan	212 149 583.27	212 149 583.27
Acquisition cost, 31 Dec	**212 149 583.27**	**212 149 583.27**
Accumulated amortization, 1 Jan	86 399 628.49	65 184 670.21
Amortization for the period	21 214 958.28	21 214 958.28
Accumulated amortization, 31 Dec	**107 614 586.77**	**86 399 628.49**
Book value, 31 Dec	104 534 996.50	125 749 954.78
Other capitalized expenditures		
Acquisition cost, 1 Jan	20 667 455.82	20 214 412.39
Additions	717 334.09	469 553.14
Disposals	-115 435.46	-16 509.71
Acquisition cost, 31 Dec	**21 269 354.45**	**20 667 455.82**
Accumulated amortization, 1 Jan	18 568 837.97	17 542 594.60
Amortization for the period	944 419.18	1 026 243.37
Accumulated amortization, 31 Dec	**19 513 257.15**	**18 568 837.97**
Book value, 31 Dec	1 756 097.30	2 098 617.85
Total	**108 140 827.76**	**131 692 801.99**

9. Tangible assets

EUR	31 Dec 2024	31 Dec 2023
Land		
Acquisition cost, 1 Jan	60 270.13	60 270.13
Acquisition cost, 31 Dec	**60 270.13**	**60 270.13**
Machinery and equipment		
Acquisition cost, 1 Jan	34 175 059.50	33 864 641.83
Additions	293 040.05	313 609.65
Disposals	-127 579.55	-3 191.98
Acquisition cost, 31 Dec	**34 340 520.00**	**34 175 059.50**
Accumulated depreciation, 1 Jan	33 457 981.52	33 114 761.97
Depreciation for the period	246 135.96	343 219.55
Accumulated depreciation, 31 Dec	**33 704 117.48**	**33 457 981.52**
Book value, 31 Dec	636 402.52	717 077.98
Other tangible assets		
Acquisition cost, 1 Jan	37 370.30	37 370.30
Acquisition cost, 31 Dec	**37 370.30**	**37 370.30**
Book value, 31 Dec	37 370.30	37 370.30
Total	**734 042.95**	**814 718.41**

10. Investments

EUR	31 Dec 2024	31 Dec 2023
Subsidiary shares		
Acquisition cost, 1 Jan	2 401 510 653.24	2 333 141 681.29
Additions	580 063.54	68 393 006.72
Disposals	-223 512.77	-24 034.77
Reclassifications	1 619 893.60	—
Impairment[1]	-168 840 755.15	—
Acquisition cost, 31 Dec	**2 234 646 342.46**	**2 401 510 653.24**
Book value, 31 Dec	2 234 646 342.46	2 401 510 653.24
Shares in joint ventures		
Acquisition cost, 1 Jan	2 619 893.60	2 619 893.60
Reclassifications	-2 619 893.60	—
Acquisition cost, 31 Dec	**—**	**2 619 893.60**
Book value, 31 Dec	—	2 619 893.60
Other shares and interests		
Acquisition cost, 1 Jan	153 446.34	153 446.34
Acquisition cost, 31 Dec	**153 446.34**	**153 446.34**
Book value, 31 Dec	153 446.34	153 446.34
Total	**2 234 799 788.80**	**2 404 283 993.18**

[1] The majority of which relates to the impairment of subsidiary shares related to the Tech Services business. See also note 14 in Notes to the consolidated financial statements.

Subsidiary shares

See note 28 in Notes to the consolidated financial statements.

Joint ventures owned and managed by the parent company

See note 29 in Notes to the consolidated financial statements.

11. Long-term receivables

EUR	31 Dec 2024	31 Dec 2023
Receivables from Group companies		
Loan receivables	94 116 207.08	90 205 736.24
Total	**94 116 207.08**	**90 205 736.24**
Receivables from other companies		
Non-current derivative receivables[1]	11 807 520.06	15 466 006.94
Other receivables	1 766 868.40	635 032.96
Total	**13 574 388.46**	**16 101 039.90**

[1] Comparative information has been updated, see note 21.

12. Current receivables

EUR	31 Dec 2024	31 Dec 2023
Receivables from Group companies		
Accounts receivable	18 112 825.04	6 694 092.67
Loan receivables	67 844 968.98	48 632 032.43
Other receivables	4 703 403.36	2 827 560.88
Dividend receivables	—	40 033 806.35
Group contribution receivables	102 200 000.00	75 000 000.00
Prepaid expenses and accrued income	6 430 172.64	5 042 598.46
Total	**199 291 370.02**	**178 230 090.79**
Receivables from joint ventures		
Accounts receivable	—	11 107.76
Total	**—**	**11 107.76**
Receivables from other companies		
Accounts receivable	121 333.39	149 915.85
Tax receivable	346 274.17	2 808 239.71
Other receivables	2 818 242.26	6 931 455.98
Total	**3 285 849.82**	**9 889 611.54**

13. Prepaid expenses and accrued income

EUR	31 Dec 2024	31 Dec 2023
Prepaid expenses and accrued income from Group companies		
Other	6 430 172.64	5 042 598.46
Prepaid expenses and accrued income from other companies		
License fees	7 761 207.24	6 327 037.70
Rents	—	265.00
Social costs	18 145.34	22 172.62
Bond discount and issue costs	714 946.63	1 126 075.95
Other	2 123 730.17	1 492 378.73
Total[1)]	**10 618 029.38**	**8 967 930.00**
Total	**17 048 202.02**	**14 010 528.46**

[1)] Comparative information has been updated, see note 21.

14. Changes in shareholders' equity

EUR	31 Dec 2024	31 Dec 2023
Restricted equity		
Share capital, 1 Jan	76 555 412.00	76 555 412.00
Share capital, 31 Dec	**76 555 412.00**	**76 555 412.00**
Share issue premiums, 1 Jan	13 791 579.51	13 791 579.51
Share issue premiums, 31 Dec	**13 791 579.51**	**13 791 579.51**
Restricted equity total	**90 346 991.51**	**90 346 991.51**
Unrestricted equity		
Invested unrestricted equity reserve, 1 Jan	1 207 617 299.52	1 207 617 299.52
Invested unrestricted equity reserve, 31 Dec	**1 207 617 299.52**	**1 207 617 299.52**
Retained earnings, 1 Jan	210 119 003.75	271 844 438.58
Purchase of own shares	—	-9 756 325.65
Dividend distributions	-174 184 712.20	-171 667 083.40
Retained earnings, 31 Dec	**35 934 291.55**	**90 421 029.53**
Net profit for the financial year	56 190 167.96	119 697 974.22
Unrestricted equity total	**1 299 741 759.03**	**1 417 736 303.27**
Shareholders' equity, total	**1 390 088 750.54**	**1 508 083 294.78**
Distributable funds		
Invested unrestricted equity reserve	1 207 617 299.52	1 207 617 299.52
Retained earnings	35 934 291.55	90 421 029.53
Net profit for the financial year	56 190 167.96	119 697 974.22
Total	**1 299 741 759.03**	**1 417 736 303.27**
Breakdown of the parent's share capital		
Number of shares	118 640 150	118 425 771
Euros	76 555 412.00	76 555 412.00

15. Provisions

EUR	31 Dec 2024	31 Dec 2023
Restructuring commitments	250 066.86	30 952.00
Other provisions	38 685.48	33 277.11
Total	**288 752.34**	**64 229.11**

16. Non-current liabilities

EUR	31 Dec 2024	31 Dec 2023
Bonds	—	300 000 000.00
Loans	550 153 846.14	212 389 860.56
Non-current derivative liabilities[1)]	16 527 744.11	20 018 003.73
Accrued liabilities and deferred income	—	5 480.92
Total	**566 681 590.25**	**532 413 345.21**

[1)] Comparative information has been updated, see note 21.

In 2023, the fair value of bonds (EUR 291 423 000) was calculated based on prevailing market rate at the reporting date.

17. Current liabilities

EUR	31 Dec 2024	31 Dec 2023
Liabilities to Group companies		
Accounts payable	9 632 222.36	9 195 407.57
Other liabilities including cash pool	454 695 743.48	454 335 076.44
Accrued liabilities and deferred income	9 163 455.06	14 584 611.79
	473 491 420.90	**478 115 095.80**
Liabilities to joint ventures		
Other liabilities including cash pool	—	3 050 111.71
	—	**3 050 111.71**
Liabilities to other companies		
Bonds	300 000 000.00	100 000 000.00
Advances received	84 162.80	83 264.78
Accounts payable	10 677 112.57	9 091 411.75
Loans	13 076 923.08	288 381 846.08
Other current liabilities	7 626 624.48	5 303 900.85
Accrued liabilities and deferred income[1)]	21 704 819.15	16 298 864.13
	353 169 642.08	**419 159 287.59**
Total	**826 661 062.98**	**900 324 495.10**

[1)] Comparative information has been updated, see note 21.

Loans and receivables and financial liabilities are held at amortized cost using the effective interest rate method. Their carrying amounts are considered to approximate their fair value, except for the fixed rate bond where carrying amount has not been adjusted to match the fair value.

The fair value of bonds has been calculated based on prevailing market rate at the reporting date and as at 31 Dec 2024 it was EUR 298 284 000 (EUR 98 124 000 in 2023). Tietoevry signed a two-year term loan facility of EUR 300 million to be used for bond refinancing, see note 20 in Notes to the consolidated financial statements.

18. Accrued liabilities and deferred income

EUR	31 Dec 2024	31 Dec 2023
Accrued liabilities and deferred income from Group companies		
Service fee	9 146 604.31	14 501 872.02
Interest	16 850.75	82 739.77
	9 163 455.06	**14 584 611.79**
Accrued liabilities and deferred income from other companies		
Vacation pay and related social costs	1 757 384.09	1 640 265.30
Other accrued payroll and related social costs	1 582 731.48	1 994 383.79
Other social costs	261 004.73	302 655.77
Interest[1)]	12 123 159.21	8 754 944.83
Other	5 980 539.64	3 606 614.44
	21 704 819.15	**16 298 864.13**
Total	**30 868 274.21**	**30 883 475.92**

[1)] Comparative information has been updated, see note 21.

19. Deferred tax assets and liabilities

EUR	31 Dec 2024	31 Dec 2023
Deferred tax assets		
From temporary differences	428 868.30	6 655.42
Total	**428 868.30**	**6 655.42**
Deferred tax liabilities		
From appropriations	105 814.59	5 873.78
Total	**105 814.59**	**5 873.78**

Deferred tax items are not included in the balance sheet.

20. Contingent liabilities

EUR	31 Dec 2024	31 Dec 2023
On behalf of Group companies		
Guarantees	241 291 272.99	224 781 619.93
Other Tietoevry obligations		
Rent commitments due in 2025 (2024)	6 910 519.70	7 316 116.50
Rent commitments due later	14 370 940.35	16 130 320.09
Lease commitments due in 2025 (2024)[1)]	407 181.30	333 901.00
Lease commitments due later[1)]	395 102.67	354 096.37
On behalf of Third parties		
Guarantees	22 689 588.97	23 431 867.34

[1)] Lease commitments are principally three-year lease agreements that do not include buyout clauses.

In addition to the above mentioned contingent liabilities, parent company has provided security on behalf of delivering Group company relating to some major contracts.

21. Derivatives

Nominal amounts of derivatives

Includes the gross amount of all nominal values for contracts that have not yet been settled or closed. The amount of nominal value outstanding is not necessarily a measure or indication of market risk, as the exposure of certain contracts may be offset by other contracts.

EUR	31 Dec 2024	31 Dec 2023
Foreign exchange forward contracts	602 846 898.94	630 995 010.27
Interest rate swaps	280 000 000.00	280 000 000.00

Fair values of derivatives

The fair values of foreign exchange derivatives are calculated according to foreign exchange and interest rates on the closing date.

The interest rate swaps have been reclassified from Prepaid expenses and accrued income and Accrued liabilities and deferred income to long term assets and liabilities based on their maturities. The comparative information was updated accordingly.

The net fair values of derivative financial instruments at the balance sheet date	31 Dec 2024	31 Dec 2023
Foreign exchange forward contracts	-5 205 086.24	3 545 431.67
Interest rate swaps	-4 720 224.05	-4 551 996.79

Derivatives are used for economic purposes only.

Gross positive fair values of derivatives	31 Dec 2024	31 Dec 2023
Foreign exchange forward contracts	2 857 564.08	8 641 211.39
Interest rate swaps	11 807 520.06	15 466 006.94

Gross negative fair values of derivatives	31 Dec 2024	31 Dec 2023
Foreign exchange forward contracts	-8 062 650.35	-5 095 779.72
Interest rate swaps	-16 527 744.11	-20 018 003.73

Fair value measurement of financial assets and liabilities

See note 23 in Notes to the consolidated financial statements.

22. Management of financial risks

The operative management of the treasury activities of Tietoevry is centralized in Group Treasury, which is operated from the Parent company. The Group Treasury is responsible for managing the Group's financial risk position and maintaining adequate liquidity. The Treasury Policy, which has been approved by the Board of Directors, defines the principles for measuring and managing liquidity risk, interest rate risk, foreign exchange risks and counterparty risk of the Group. The Treasury Policy also defines the division of responsibilities with regard to financial risk management. The Group reviews and monitors financial risks on a regular basis.

Financial risks are assessed, measured and managed on a Group level. See note 20 in Notes to the consolidated financial statements.

Proposal for distribution to shareholders

Distributable funds in the parent company totalled EUR 1 299 741 759.03 comprised of invested unrestricted equity reserve of EUR 1 207 617 299.52 and retained earnings of EUR 92 124 459.51 of which net profit for the current year is EUR 56 190 167.96.

The Board of Directors proposes that the distributable funds shall be distributed as follows:

- a dividend from retained earnings and/or distribution of funds from the reserve of invested unrestricted equity in the total amount of EUR 1.50 per share (in total EUR 177 892 366.50) to be paid to shareholders
- the remainder EUR 1 121 849 392.53 to be retained as equity.

In the opinion of the Board of Directors the proposed distribution to shareholders does not endanger the solvency of the company.

SIGNATURES FOR THE REPORT BY THE BOARD OF DIRECTORS, SUSTAINABILITY STATEMENT AND FINANCIAL STATEMENTS, AND AUDITOR'S NOTE

The consolidated financial statements and parent company financial statements prepared in accordance with applicable accounting regulations give a true and fair view of the Group and the parent company's assets, liabilities and financial position as at 31 December 2024 and the profit or loss of the Group and the parent company operations and the cash flows for the financial year ended 31 December 2024.

The Report by the Board of Directors includes a fair review of the development and results of the business activities of the Group and the parent company as well as a description of the most significant risks and uncertainties and other aspects of the Group and the parent company's state.

The sustainability statement, which is part of the Report by the Board of Directors, is prepared, in all material respects, in accordance with Chapter 7 of the Finnish Accounting Act and Article 8 of Regulation (EU) 2020/852 (the "Taxonomy Regulation").

Signatures for the Financial statements, Report by the Board of Directors and Sustainability statement

Espoo, 3 March 2025

Tomas Franzén
Chairperson

Harri-Pekka Kaukonen
Deputy Chairperson

Bertil Carlsén

Elisabetta Castiglioni

Liselotte Hägertz Engstam

Katharina Mosheim

Gustav Moss

Petter Söderström

Anders Palklint

Thomas Slettemoen

Kimmo Alkio
President and CEO

The Auditor's Note

Our auditors' report has been issued today.

Espoo, 3 March 2025

Deloitte Oy
Audit Firm

Jukka Vattulainen
Authorised Public Accountant (KHT)

AUDITOR'S REPORT (Translation of the Finnish original)

To the Annual General Meeting of Tietoevry Oyj

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Tietoevry Oyj (business identity code 0101138-5) for the year ended 31 December, 2024. The financial statements comprise the consolidated income statement, statement of comprehensive income, financial position, statement of cash flows, statement of changes in equity and notes, including material accounting policy information, as well as the parent company's income statement, balance sheet, statement of cash flows 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 7 to the consolidated 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 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 Refer to Note 6 in the consolidated financial statements. Consolidated revenue of Tietoevry Oyj amounted to EUR 2 802.6 million (EUR 2 851.4 million). Revenue consist mostly of continuous services, software solutions and consulting. In addition to this, the Company has fixed-price projects. Revenue from service contracts, software solutions and consulting is based on service volumes or time and materials; and the performance obligations are recognized over the accounting period in which the services are rendered. For contracts comprising fixed-price projects, revenue is recognized based on the actual service provided by the reporting date as a proportion of the total services to be provided. Revenue is a key financial indicator and consists of a large volume of transactions. For this reason the functionality of information system controls is emphasised in revenue recognition. A significant part of the revenue is automatically recognized in accounting through IT systems based on the fulfilment of the performance obligation. Revenue recognition due to its significance require specific attention both from the accounting and the auditing perspective.	We have evaluated the IT systems used for recognizing revenue by testing access and change management controls. We have also evaluated process level controls by performing walkthroughs of significant classes of revenue transactions, assessed the design of key controls and tested the operating effectiveness of those controls. We have analyzed the transactions recorded to revenue by applying data analytics to identify entries originating from automated processes and entries from manual journals. Based on our revenue related risk assessment we have focused our substantive audit procedures to the transactions estimated as higher risk transactions. Our substantive audit procedures to address the identified risk relating to revenue from services, software solutions and consulting consisted among others, performing transactional testing procedures to validate the recognition of revenue throughout the year as well as year-end. Our substantive audit procedures to address the risk of inappropriate accounting for fixed-priced projects were focused on judgements used by management in project estimates. We selected a sample of contracts and assessed the estimates based on projects' status and forecasted costs and income. We agreed the revenue estimates against the sales agreements and ensured that the revenue recognition method applied was appropriate based on the terms of the agreement. We recalculated the revenue based on percentage of completion and assessed the appropriateness of the percentage of completion by comparing actual costs from the Company's accounting records to the estimated total costs of the project.

Key audit matter	How our audit addressed the key audit matter
Impairment testing of Goodwill	
Refer to Note 14 in the consolidated financial statements. Consolidated financial statements includes goodwill of EUR 1 648.2 million (1 907.3 million). Goodwill is measured at cost less accumulated impairment losses. Goodwill is subject to annual impairment test according to IAS 36 Impairment of Assets Standard. For testing purposes goodwill is allocated to cash-generating units. As a result of goodwill impairment test, Tietoevry concluded that the carrying amount exceeded the recoverable amount for the Tietoevry Tech Services Cash Generating Unit and recorded a non-cash impairment charge of EUR 200.0 million. Goodwill impairment testing requires substantial management judgment over the projected future business performance, cash flows and applied discount rate. Note 14 in the consolidated financial statements describes key assumptions used by management in the impairment test.	We have performed audit procedures on impairment testing prepared by management relating to material cash generating units and assessed key controls over management's goodwill impairment testing. The recoverable amounts of the cash-generating units are determined based on value-in-use calculations. Cash flows used in these calculations are based on five-year financial plans defined by group management. We have assessed the key assumptions used by management in the impairment test for cash generating units by: • comparing the growth and profitability estimates used by management to historical performance. • comparing the estimates with the latest approved budgets and strategic plans. • involving our valuation specialists to verify that the discount rates and the long-term growth rates are consistent with observable market data. • validated the mathematical accuracy of the impairment calculations. We have also assessed the related disclosure information.

We have no key audit matters to report with respect to our audit of the parent company financial statements. There are no significant risks of material misstatement referred to in EU regulation No 537/2014, point (c) of Article 10(2) relating to the consolidated financial statements or the parent company's financial statements.

Responsibilities of the Board of Directors and the President and CEO for the Financial Statements

The Board of Directors and the President and CEO 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 President and CEO 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 President and CEO are responsible for assessing the parent company's and the group's ability to continue as a 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 about 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 the 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 President and CEO'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 work 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 have been acting as Tietoevry's auditors a total period of uninterrupted engagement of 7 years since 2018.

Other information

The Board of Directors and President and CEO 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 or 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 the 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.

Espoo, 3 March 2025

Deloitte Oy
Audit Firm

Jukka Vattulainen
Authorised Public Accountant (KHT)

ASSURANCE REPORT ON THE SUSTAINABILITY STATEMENT (Translation of the Finnish original)

To the Annual General Meeting of Tietoevry Oyj

We have performed a limited assurance engagement on the group sustainability statement of Tietoevry Oyj (0101138-5) 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 1.1.–31.12.2024.

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

- the requirements laid down in Chapter 7 of the Accounting Act and the sustainability reporting standards (ESRS);
- 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 Tietoevry Oyj 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 Authorised 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 Tietoevry Oyj 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 1.1.–31.12.2024. 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.

Authorised 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 authorised group sustainability auditor applies International Standard on Quality Management ISQM 1, which requires the authorised 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 President and CEO

The Board of Directors and the President and CEO of Tietoevry Oyj 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 President and CEO 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

In preparing the sustainability statement, the company is required to conduct a materiality assessment to identify relevant matters to be reported. This process involves significant management judgement and choices. Due to the nature and characteristics of sustainability reporting, this type of information involves estimates and assumptions, as well as measurement and evaluation uncertainties.

In reporting forward-looking information, management is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. The actual outcome is likely to be different since anticipated events frequently do not occur as expected.

Responsibilities of the Authorised 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 example the following:

- Performed inquiries of the company’s management and personnel responsible for collecting and reporting the information contained in the sustainability statement at the group level and for subsidiaries, as well as at the different levels and business areas of the organization.
- Obtained an understanding of the company’s sustainability reporting process, internal controls, and information systems related to the sustainability reporting process through inquiries.
- Reviewed the supporting documentation and records prepared by the company, where applicable, and assessed whether they support the information included in the sustainability statement.
- With respect to the double materiality assessment process, we evaluated the implementation of the process conducted by the company in relation to the requirements of the ESRS standards and assessed whether the disclosed information on the double materiality assessment is in accordance with the ESRS standards.
- Evaluated whether the sustainability statement meets the requirements of the ESRS standards, in all material aspects, regarding material sustainability matters to a significant extent.
- With respect to the EU taxonomy information, we obtained an understanding of the process by which the company has identified taxonomy-eligible and taxonomy-aligned economic activities and assessed the compliance of the related disclosed information with the regulations.

Espoo, 3 March 2025

Deloitte Oy
Authorised Sustainability Audit Firm

Jukka Vattulainen
Authorised Sustainability Auditor

(Translation of the Finnish Original)

Independent auditor's report on the ESEF consolidated financial statements of Tietoevry Oyj

To the Board of Directors of Tietoevry Oyj

We have performed a reasonable assurance engagement on the consolidated financial statement (549300EW2KM4KROKQV31-2024-12-31-fi.zip) of Tietoevry Oyj (0101138-5) 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 President and CEO

The Board of Directors and the President and CEO are responsible for the preparation of the company's report of the 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 ESEF financial statements and the audited financial statements.

The Board of Directors and the President and CEO are also responsible for such internal control as they determine is necessary to enable the preparation of ESEF financial statements in accordance with the requirements of the Commission's regulatory technical standard.

Auditor's independence and quality control

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 auditor 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 regulatory technical 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 and
- 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 and
- 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 judgment. This includes an assessment of the risk of a material deviation due to fraud or error from the requirements of the Commission's regulatory technical 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 Tietoevry Oyj (549300EW2KM4KROKQV31-2024-12-31-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 audit opinion on the audit of the consolidated financial statements of Tietoevry Oyj for the financial year ended 31.12.2024 has been expressed in our auditor’s report dated 3 March 2025. With this report we do not express an opinion on the audit of the consolidated financial statements nor express another assurance conclusion.

Espoo, 3 March 2025

Deloitte Oy
Audit Firm

Jukka Vattulainen
Authorised Public Accountant (KHT)

ADDITIONAL INFORMATION TO THE ANNUAL REPORT

Human rights

Strategy

Materiality and relation to business model and strategy

Respecting human rights is central to Tietoevry's business strategy, and the company is committed to identifying and managing both actual and potential impacts on people across all areas of its operations, including its supply chain, business partnerships, internal activities, product and service delivery and its end-users. As a global tech company, Tietoevry must consider its societal and human rights impacts at every stage – from the development and delivery of solutions and services to its internal operations and value chain activities.

Beyond merely respecting human rights, Tietoevry actively supports them in the regions where it operates, using its influence to drive positive change. This commitment is reflected in the company’s efforts to ensure access to essential services and societal infrastructure that enable fundamental rights such as healthcare, education and employment. Within its own operations, Tietoevry promotes equal opportunities, fairness and a culture of diversity and inclusion for all employees.

Impact, risk and opportunity management

Policies

Tietoevry is a member of the UN Global Compact and is committed to following the UN Guiding Principles on Business and Human Rights (UNGPs). The company strives to respect and support all internationally recognized human rights of all people impacted by the business across all societies in which it operates. Commitments are set by the Tietoevry Human Rights Policy, but the company also follows other policies including Tietoevry's Code of Conduct, Supplier Code of Conduct, Privacy Policy, Security Policy, AI Policy and AI Rule.

Governance

Tietoevry's Group Executive Management is accountable for the successful implementation of the Human Rights Policy. To support the implementation of the commitments, a Human Rights Steering Committee oversees the company-wide human rights agenda. The committee is driven by Group Sustainability and comprises representatives from Human Resources, Facilities, Legal, Internal Audit and Group Risk Management. The committee meets on a monthly basis with the purpose of further embedding human rights due diligence across operations.

Salient issues

As part of Tietoevry’s human rights due diligence process, the company identifies salient human rights risks, which are the ones that stand out as being most at risk through its business activities. The salient human rights risks have been identified through a global human rights risk assessment, focusing on own operations and downstream activities and additional processes for suppliers, drawing on internal and third-party human rights assessments, internal and external expertise, and other relevant sources. They have been prioritized based on the highest severity and likelihood of a potential adverse impact on people.

Tietoevry recognizes that among its most salient human-rights issues are privacy, freedom of opinion and expression, discrimination and labour rights. Additional areas with potential human rights implications concern conflict minerals when sourcing hardware, as well as potential corruption incidents and negative impacts on the environment.

Salient issues in Tietoevry's value chain

Value chain	Human rights risk
Supply chain	Labour rights, discrimination
Tietoevry employees and other workers	Labour rights, discrimination
Potential technology misuse	Privacy, freedom of opinion and expression, discrimination

Actions

Downstream: During 2024, a geographical human rights risk tool – designed to identify countries with high risks of negative human rights impacts – was piloted in one of Tietoevry's businesses' opportunity management processes.

Own operations: Key activities during 2024 included developing and implementing an action plan related to a gap assessment of the company's Human Resources policies and processes against the UNGPs carried out in 2023. Activities included, for example, an inventory of risks to the right to freedom of association and collective bargaining, development of a Human Resource Policy and a global pay gap analysis. Tietoevry also continued to offer company-specific training in business and human rights to all employees, as well as training materials from UNGC on the same topic. Additional activities related to actual and potential impacts on own workforce can be found under S1 - Own workforce.

Upstream: To enhance the assessment of human rights risks across the company's supply chain, the geographical human rights risk tool was also incorporated into the supplier evaluation process. In addition, the company integrated a sustainability assessment into its supplier selection process to gather information about suppliers' commitment to environmental, social and governance (ESG) issues, including human rights. More information about these activities is outlined in S2 - Workers in the value chain.

Tietoevry remains committed to conducting human rights impact assessments concerning salient issues and significant business decisions as an integral facet of its human rights due diligence framework. The main focus areas for the coming year include further integration of due diligence in relevant processes, as well as development of additional training and risk assessment tools.

Metrics and targets

Target related to human rights

Material topic	Target	Result 2024	Result 2023	Result 2022
Human rights and labour rights	Zero cases of severe human-rights breaches* related to Tietoevry’s operations on an annual basis	0	0	0

*The definition of severe human rights breaches include the following a) whether Tietoevry has had a conviction in a court case on labour law or on human rights and/or b) if a National Contact Point (NCP) has accepted a human rights case, but Tietoevry has refused to engage with the initiating party, or if Tietoevry has been found to be non-compliant with the OECD guidelines by an NCP and/or c) if the Business and Human Rights Resource Centre (BHRRC) has taken up an allegation against Tietoevry and Tietoevry has not answered for three months.

Tietoevry’s annual target of zero severe human rights breaches underscores the company's commitment to preventing any significant human rights violations within its operations. This aligns with the Human Rights Policy's commitment to upholding human dignity and ensuring that human rights are respected throughout Tietoevry’s operations and value chain.

The methodologies used to set the target included benchmarking against best practices, legislative reviews and internal assessments of employee needs and organizational readiness. Stakeholders, including employees and management, were involved in setting the target through feedback sessions and consultations. The target received final review and approval from Tietoevry’s Group Executive Management, including the CEO, and it is measured on an annual basis. The target was implemented during 2022 and no changes to the target have been made since. Performance against the target is shared and reviewed once a year.

The result for the year 2024 reinforces the company’s commitment to human rights due diligence and responsible business conduct. It suggests that the company has effective policies, processes and controls in place to prevent and mitigate severe human rights risks within its operations and supports its alignment with the EU Taxonomy minimum safeguards. However, maintaining and demonstrating compliance will require ongoing efforts in governance, transparency and proactive risk management.

ADDITIONAL INFORMATION TO THE ANNUAL REPORT

Tax reporting

Tietoevry's tax principles

Tietoevry is committed to operating in a responsible way and complying with ethically acceptable principles in all its activities. Tietoevry operates in accordance with an approved Tax Policy, with the objective of ensuring uniform management of taxation for all Tietoevry Group entities.

Tietoevry Group entities must respect the principle of legality and apply the tax laws of the countries where Tietoevry operates, complying with both the letter and the spirit of applicable tax legislation and regulations. Intercompany transactions within Tietoevry follow the Group's Transfer Pricing Rule, which has been adopted in line with the arm's length principle based on OECD's Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations.

Tietoevry does not invest in low-tax jurisdictions or countries considered to be tax havens for the sole purpose of reducing its tax burden. Taxation is always an outcome of business operations and only one of several factors to consider when reviewing the consequences of business decisions and strategies. Tietoevry does not have legal entities in low-tax jurisdictions.

Tax compliance

Tietoevry follows local tax legislation and other obligatory rules in all jurisdictions. Tietoevry fulfils all reporting requirements in an accurate and timely manner and pays all legally imposed direct, indirect and other taxes in countries where the Group has operations.

Tax planning

Tietoevry does not practice tax planning that would aim at artificially decreasing the Group's taxable income.

Tax risk management

Tietoevry avoids uncertain tax positions and retroactive changes to the tax positions it has taken in any of its filings in any of the jurisdictions in which it operates.

Co-operation and transparency

Tietoevry co-operates fully with the authorities in its operations and aims to disclose all the information that is necessary to determine tax consequences.

Tietoevry Group Tax is responsible for developing the Group Tax Policy, monitoring and planning group-wide and local key tax issues, supporting business operations and supporting Tietoevry's legal entities in ensuring compliance with local and global tax regulations. Each Group jurisdiction has a Regional Tax Specialist appointed to be responsible for managing compliance, tax risks and tax planning locally. Group Tax reports on the status of Group tax issues biannually to the Audit and Risk Committee.

According to Group Tax Policy, the objective is to avoid uncertain tax positions and tax risks should be proactively managed. Should any material tax risks be identified by the Regional Tax Specialists, they are to be reported to Group Tax and are followed-up on a regular basis. Any significant uncertain tax positions are disclosed in the Group's Annual Financial Statements. The Group does not have any material uncertain tax positions in accordance with IFRIC 23 Uncertainty over Income Tax Treatments as at December 2024.

Tietoevry promotes cooperation with and proactive disclosure of information to the tax authorities. Tietoevry Corporation has engaged in a co-operative compliance programme with the Finnish Tax Authorities since 2017, with the aim of open cooperation and focus on preliminary discussions to ensure correct taxation.

Tietoevry is committed to operating in a responsible and ethical way in all its activities, including taxation. Therefore, Tietoevry is committed to transparency in tax reporting, ensuring that stakeholders are able to understand its tax position and approach to tax in general. At Tietoevry tax compliance is considered an integral part of ethical and responsible business conduct. Violations that can be reported through the Group's Whistleblowing channels also include those relating to tax.

Since 2014, Tietoevry (and previously Tieto) has reported income tax paid on a cash basis in the main jurisdictions where the Group operates. 2024 will be the first year of publishing more detailed country-by-country tax reporting, and as such, comparative figures are not presented.

Country-by-country tax reporting

Country-by-country reporting is the reporting of financial, economic and tax-related information in the countries in which the Group operates. In 2024, Tietoevry has reported certain country-level information on all EU countries and Norway and combined information for all other operating countries. Full country-by-country reporting will be adopted in 2025 in accordance with the requirements of Directive (EU) 2021/2101.

Country-by-country tax reporting, EUR million

Tax jurisdiction	Total revenue	Profit/loss before income tax	Income tax paid (on cash basis)	Income tax accrued (current year)	Accumulated earnings	Number of employees
Norway	1 161.3	65.5	3.4	1.7	328.5	3 731
Sweden	1 073.5	36.3	10.6	6.6	451.3	3 516
Finland	1 072.5	-114.5	7.4	9.2	1 507.5	2 998
Czech	155.7	11.5	3.4	3.0	15.4	2 315
Poland	113.2	4.7	1.9	1.0	8.8	911
Latvia	79.4	5.4	2.1	1.4	32.0	1 078
Austria	63.1	6.7	0.9	1.7	16.1	249
Bulgaria	48.3	2.7	0.3	0.3	8.6	646
Germany	31.3	2.7	1.2	0.9	4.7	90
Denmark	16.6	3.2	0.1	0.2	5.4	53
Lithuania	15.9	2.6	1.3	0.4	2.4	125
Slovakia	10.9	0.9	0.5	0.2	1.2	143
Estonia	10.9	0.3	0.1	0.1	0.8	129
France	2.8	0.2	0.1	0.1	0.7	13
Romania	0.2	0.0	0.0	0.0	0.0	1
Netherlands	0.1	0.1	0.2	0.0	54.6	0
Others[1)]	410.1	31.2	7.8	9.0	187.1	6 941
Total	**4 265.8**	**59.3**	**41.3**	**35.9**	**2 625.0**	**22 941**

[1)] Other jurisdictions mainly comprise India, USA, Ukraine and China.

Reconciliation of the Group's income tax expense can be found in the consolidated financial statement Note 8. Income taxes. The effective tax rate is determined as the ratio between the Group's income taxes (EUR 41.0 million) and the loss before taxes (EUR 21.8 million) on the consolidated income statement. In 2024, the effective tax rate was 187.8% which was impacted by a non-deductible goodwill impairment of EUR 200 million.

The country-by-country report is prepared on an aggregated basis before the elimination of intra-group receivables, payables and transactions or other group-level entries. Therefore, the amounts presented in the country-by-country report differ from the consolidated financial statements. For more information on the basis of preparation, see the "Country-by-country report terms and definitions" at the end of this report.

In 2024, based on country-by-country reporting principles, Tietoevry's income tax paid on a cash basis amounted to EUR 41.3 million and accrued income tax amounted to EUR 35.9 million. Tietoevry entities in Norway and Denmark have utilized old tax losses carried forward against the taxable income in 2024, resulting in minor balances in current tax and income tax paid compared to the taxable profit.

In 2024, based on country-by-country reporting principles, Tietoevry's profit before taxes amounted to EUR 59.3 million. In Finland, the loss before income tax was impacted by an impairment loss on subsidiary shares recorded in Tietoevry Corporation. The impairment loss is non-deductible in taxation.

Country-by-country reporting excludes deferred tax items and therefore it is not possible to calculate the country-level effective tax rate based on this report. For example, entities in Norway, Denmark, Finland and Sweden have deferred tax assets and liabilities which have been utilized during 2024.

Country-by-country report terms and definitions

These terms and definitions are based on terminology used by OECD and may differ from IFRS terminology used in Tietoevry's consolidated financial statements.

Term	Definitions
Period covered	The report covers the financial year 2024.
Data source	The consolidated financial statements of Tietoevry have been prepared in accordance with International Financial Reporting Standards (IFRS) Accounting Standards as adopted by the European Union. The financial statements also comply with Finnish accounting principles and corporate legislation complementing IFRS accounting standards. The data in the country-by-country report is based on financial accounting prepared at the standalone legal entity level according to IFRS accounting standards. Data is aggregated by tax jurisdiction.
Constituent entities in scope	A constituent entity is any business unit included in the Group's consolidated financial statements and any permanent establishment of these units that prepares a separate financial statement for reporting purposes. Entities included in Tietoevry's consolidated financial statements are within the scope of the country-by-country report. A list of all Tietoevry entities and their domicile can be found from the consolidated financial statement Note 28 Subsidiaries.
Tax jurisdiction	A tax jurisdiction is a state or a non-state jurisdiction that has fiscal autonomy.
Total revenue	The sum of total revenue (with unrelated and related parties) recorded by all the constituent entities resident in the tax jurisdiction. Revenues include income from the sale of inventory and assets, as well as services, royalties, interest, premiums and other similar income items reported in the income statement. Revenues exclude group contributions and payments received from the related parties which are treated as dividends in the jurisdiction where the payer resides.
Profit/loss before income tax	The sum of the profit/loss before taxes recorded by all the constituent entities resident in the tax jurisdiction. The profit/loss before taxes includes all extraordinary income and expense items except group contributions. Profit/loss before taxes excludes payments received from related parties which are treated as dividends in the jurisdiction where the payer resides.
Income tax paid (on cash basis)	The sum of the income tax paid by all the constituent entities resident in the country. Income tax paid includes all taxes paid to that jurisdiction and to all other jurisdictions. Paid taxes include paid advance taxes, advance top-up payments and withholding taxes paid to other countries. Income taxes paid on dividends, including withholding tax, are not reported in the income tax paid.
Income tax accrued - current year	The sum of the current tax accrued on taxable profit by all the constituent entities resident in the tax jurisdiction. The current tax expense reflects only operations in the current year and does not include taxes for previous years, deferred taxes, provisions for uncertain tax positions or income taxes, including withholding tax, on dividend.
Accumulated earnings	The sum of total accumulated earnings of all the constituent entities resident in the tax jurisdiction as of the end of the year.
Number of employees	The total number of employees on a full-time equivalent (FTE) basis of all the constituent entities resident in the tax jurisdiction as of the end of the year.

GRI content index

Statement of use	Tietoevry Corporation has reported the information cited in this GRI content index for the period 1 January 2024 - 31 December 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	SBM-1
	2-7 Employees	SBM-1, S1-6
	2-9 Governance structure and composition	GOV-1
	2-10 Nomination and selection of the highest governance body	GOV-1
	2-11 Chair of the highest governance body	GOV-1
	2-12 Role of the highest governance body in overseeing the management of impacts	GOV-1
	2-13 Delegation of responsibility for managing impacts	GOV-1
	2-14 Role of the highest governance body in sustainability reporting	GOV-1
	2-16 Communication of critical concerns	GOV-2, GOV-4
	2-17 Collective knowledge of the highest governance body	GOV-1
	2-18 Evaluation of the performance of the highest governance body	GOV-3
	2-19 Remuneration policies	GOV-3, Remuneration report
	2-20 Process to determine remuneration	Remuneration report
	2-21 Annual total compensation ratio	S1-16
	2-22 Statement on sustainable development strategy	SBM-1, SBM-3, Our Sustainability Pledge - reinventing the world for good
	2-23 Policy commitments	GOV-4, E1-2, E5-1, S1-1, S2-1, S4-1, G1-1, Cybersecurity MDR-P, Responsible AI MDR-P, Additional information (Human right, Tax reporting)
	2-24 Embedding policy commitments	GOV-4
	2-25 Processes to remediate negative impacts	S1-2, S1-3, S2-2, S2-3, G1-1
	2-26 Mechanisms for seeking advice and raising concerns	G1
	2-27 Compliance with laws and regulations	S1-17, G1
	2-29 Approach to stakeholder engagement	SBM-2
	2-30 Collective bargaining agreements	S1-8
GRI 3: Material Topics 2021	3-1 Process to determine material topics	IRO-1, IRO-2
	3-2 List of material topics	SMB-3

	3-3 Management of material topics	GOV-1
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	G1-3
	205-2 Communication and training about anti-corruption policies and procedures	G1-1, G1-3
	205-3 Confirmed incidents of corruption and actions taken	G1-4
GRI 207: Tax 2019	207-1 Approach to tax	Additional information: Taxation (TBC)
	207-2 Tax governance, control, and risk management	Additional information: Taxation (TBC)
	207-3 Stakeholder engagement and management of concerns related to tax	Additional information: Taxation (TBC)
	207-4 Country-by-country reporting	Additional information: Taxation (TBC)
GRI 302: Energy 2016	302-1 Energy consumption within the organization	E1-5
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	E1-6
	305-2 Energy indirect (Scope 2) GHG emissions	E1-6
	305-3 Other indirect (Scope 3) GHG emissions	E1-6
	305-4 GHG emissions intensity	E1-6
	305-5 Reduction of GHG emissions	E1-6
2016	308-1 New suppliers that were screened using environmental criteria	S2-4
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	S1-6
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	GOV-1, S1-6
	405-2 Ratio of basic salary and remuneration of women to men	S1-16
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	S1-17
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	SBM-3
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	SBM-3
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	S2-4
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	S4-5

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