



digia

Annual Report 2022

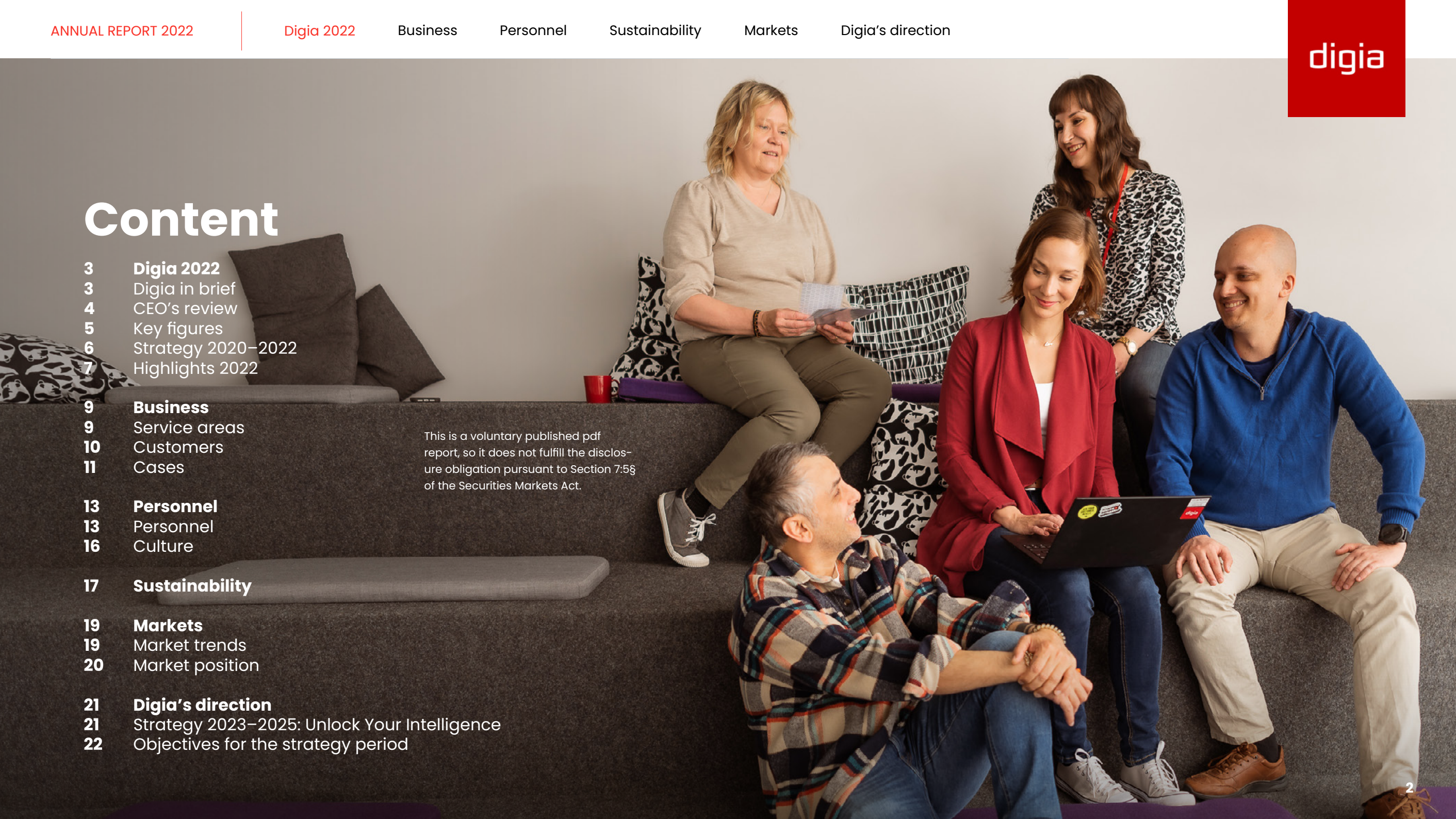
DIGITALISATION THAT MAKES A DIFFERENCE



Content

- 3 **Digia 2022**
- 3 Digia in brief
- 4 CEO's review
- 5 Key figures
- 6 Strategy 2020–2022
- 7 Highlights 2022
- 9 **Business**
- 9 Service areas
- 10 Customers
- 11 Cases
- 13 **Personnel**
- 13 Personnel
- 16 Culture
- 17 **Sustainability**
- 19 **Markets**
- 19 Market trends
- 20 Market position
- 21 **Digia's direction**
- 21 Strategy 2023–2025: Unlock Your Intelligence
- 22 Objectives for the strategy period

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We are building a world in which digitalisation makes a difference

Digia is a software and service company that helps its customers renew themselves in the networked world. We are a trusted partner in developing intelligent business.

The operations of companies and organisations are increasingly built on digital platforms. These platforms create interactive networks and entire ecosystems. When business operations are digitalised, the ability to utilise data and provide the best possible customer experience becomes a success factor.

Digia helps people and organisations to harness the opportunities of digitalisation in the development of operations and competitiveness. We believe that a functional implementation is built by keeping all the layers of digitalisation in mind. We help in **digital business development, knowledge-based management** as well as **ensuring the continuity and efficiency of operations**. In addition to our product and service offering, our strong customer relations, professionalism, a partnership network and a sustainable business model form the basis of our operations.

There are more than 1,400 of us working at Digia. Our skilled employees and expert community are the most important success factor for Digia. We have strong roots in Finland, but

thanks to our growth we also operate internationally. Our headquarters are in Helsinki and our other offices in Finland are located in Tampere, Joensuu, Jyväskylä, Turku, Oulu, Rauma, Vaasa, Lahti and Kuopio. We also have an office in Stockholm, Sweden. Our subsidiary Climber operates in Sweden, Finland, Denmark and the Netherlands.

Our daily lives are guided by four cultural principles: learning, sharing, courage and professional pride. Our principles are based on our strengths – and they also help us to renew ourselves. In the Senior Trainee spirit, we believe that we will complete our work, but our self-development is never over.

Our cultural principles are evident in our customer work, too: we help them renew their operations, find new solutions from digitalisation and boldly learn new things.

Our goal is sustainable digitalisation that makes a difference – through collaboration with our customers and partners. Digia's net sales totalled EUR 171 million in 2022. The company is listed on NASDAQ Helsinki (DIGIA).



We help our customers:		
Build business platforms and join ecosystems	Utilise data	Provide their own customers with a deep customer experience
OUR SERVICES	Consulting and Design	Business design Architecture and technology planning Service design
	Digital Services	Online services Mobile services E-commerce
	Business Systems	CRM ERP Solutions for the financial sector
	Data Utilisation	Analytics Data platforms Integrations
	Security and Operational Reliability	Operational overview and monitoring Cyber security Service management 24/7 Cloud platforms

Renewal and stable growth

2022 was a year of renewal and growth investments at Digia. We continued our profitable growth and also bolstered our expertise through acquisitions.

The main theme of the three-year strategy period that ended in 2022 was "renew and grow". We made substantial growth investments and successfully kept our net sales on a stable growth track with healthy profitability. Our net sales grew by 9.5 per cent to about EUR 171 million. Our EBITA margin was 9.2 per cent of net sales.

In all sectors, today's business is increasingly driven by knowledge-based management and reliable digital solutions that are being enhanced in terms of automation and intelligent functionalities with a variety of technological means. Demand for implementations harnessing data utilisation as well as integration and API solutions remained strong during the entire year. This trend was also evident in the substantial growth in sales of cloud-based ERPs to small and medium-sized enterprises. The business operations of our subcontracting network Digia Hub also developed well.

During the fiscal year, we were strongly involved in ensuring the functionality of society's critical systems. For instance, we deepened our cooperation with

customers in the energy, banking and social welfare and healthcare sectors as well as the defence administration. During the year now ended, we also provided digitalisation assistance to the higher-education sector, the City of Helsinki, the food industry, the retail sector and tourism.

Our major growth investment was our new business platform, the Digia Business Engine, deployed in 2022. As part of our growth strategy, we also bolstered our automation platform services, knowledge management capabilities and expertise in customer experience development through acquisitions.

Our sustainable business model and responsible way of working are integral to our strategy and instrumental to our success. Accordingly, we want to be a pioneer in good leadership and workplace culture. During the past year, we continued to use our flexible hybrid working model, which has proven to be popular, while supporting communal interaction and developing Digia's approach to leadership. Skilled employees are the most important success factor for Digia.

During the new strategy period that has just begun, our daily lives will continue to be guided by four cultural principles: learning, sharing, courage and professional pride.

In our view, the IT service market will continue to grow, even though risks related to short-term demand have increased in the operating environment. Data utilisation harnessing intelligent technology both efficiently and securely is an increasingly essential success factor for all organisations. We ensure that our customers are at the forefront of digital evolution, with an operational model and rhythm that are right for them.

I would like to warmly thank all Digia employees, customers and partners for their good cooperation during 2022, a very busy year.

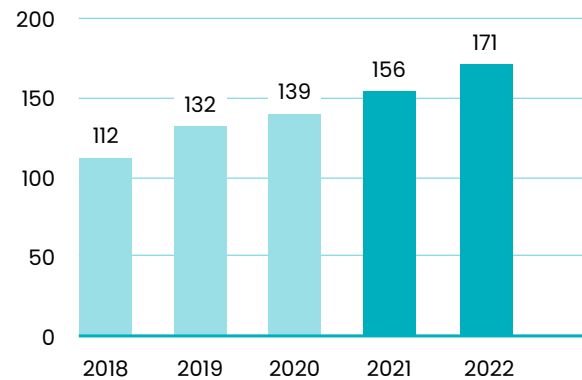
Timo Levoranta
President & CEO
Digia Plc



Digia in figures

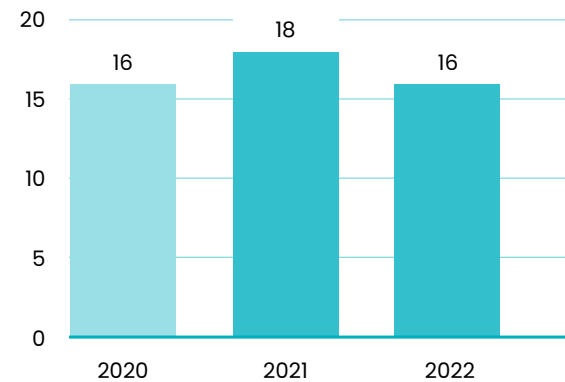
Net sales

EUR million



EBITA operating profit

EUR million



Digia proceeded to EBITA guidance in the beginning of 2020.



EBITA operating profit
9.2%



Cash flow from operations
14.3 M€



Earnings per share
0.36€



Number of employees
1,426

Key figures

1,000 euros	2022	2021	Change, %
Net sales	170,754	155,939	9.5%
EBITA operating profit	15,733	17,739	-11.3%
- % of net sales	9.2%	11.4%	
Operating profit (EBIT)	12,727	14,680	-13.3%
- % of net sales	7.5%	9.4%	
Result for the period	9,571	11,772	-18.7%
- % of net sales	5.6%	7.5%	
Return on equity, %	13.8%	18.3%	
Return on investment, %	12.9%	16.3%	
Cash flow from operations	14,252	16,648	-14.4%
Interest-bearing net liabilities	17,608	10,663	65.1%
Net gearing, %	24.8%	15.7%	
Equity ratio, %	45.9%	48.0%	
Number of the personnel by the end of the period	1,426	1,339	6.5%
Average personnel	1,399	1,334	4.9%
Shareholder's equity	71,087	68,072	4.4%
Balance sheet total	160,116	143,040	11.9%
Earnings per share	0.36	0.44	-18.0%

Strategy 2020–2022

2022 was the last year of Digia's 2020–2022 strategy period. Our "Next Level" strategy has revolved around smart digitalisation and continuous change in digital business. Digia enables its customers to take their digital business to the next level as a controlled whole.

Intelligent and responsible data utilisation in both services and business processes has comprised an important cornerstone of strategy implementation. The importance of refined information has become even more important. The core of Digia's service offering is an intelligent and functional package of digital services, business systems, integrations and analytics. Digia takes care of the life cycle of solutions from development to maintenance and also invests in the opportunities provided by data and analytics in its own operations.

The focus areas of Digia's strategy:

Intelligent data utilisation

We have brought data utilisation as a cross-cutting theme for all Digia's service areas from business systems to integrations and digital services. Data is a key element in all of our customers' operations.

Service business

We have deepened our customer relationships and further bolstered our service business.

Productivity and scalability

We have developed our operational models and solutions to improve our cost-competitiveness. An essential modernisation project in the strategy period was the renewal of our own business platform and management system.

Cloud technologies

Cloud is the development and operating platform for future services. We have further strengthened our cloud service capabilities, taking into account both data security and key public cloud platforms.

Valued employer

Personnel who are committed to the objectives of our customers and constantly hone their skills are Digia's most important success factor. We have invested in a workplace culture that bolsters a good employee experience and lifelong learning.

Strategy implementation in 2022

Our single most significant development project and outlay in 2022 was the deployment of our own business platform and management system, the Digia Business Engine. In addition to overhauling our internal operations, we made outlays on the development of our service offering and acquisitions to ensure future growth.

Financial targets

In the strategy period 2020–2022, Digia sought annual net sales growth exceeding 10 per cent including organic growth and acquisitions. The target level of profitability improvement has been an EBITA margin of 10 per cent by the end of the strategy period.



Major events in 2022



Development of operations

Digia Business Engine enhances our competitiveness

We develop our operational models and solutions to improve our competitiveness. Our most significant innovation has been the introduction of the Digia Business Engine (DBE), our own business platform. Harnessing this platform – coupled with new operating models – will support our future growth.

ISO 27001 information security certification testifies to our long-term information security efforts

Digia is committed to developing data-secure operations and services – in recognition of its long-term work, Digia was granted the international ISO 27001 certificate.



Expertise

Robust expertise for the defence industry

Digia has robust expertise and experience in the development of digital services for the defence and security sector. We want to provide the entire sector with new added value – to this end, we established the new Defence business unit, which brings together experts in this sector with project coordination. We have also been granted national facility security clearance from the Finnish Defence Forces. [Read more >>](#)

Leading Microsoft expert

Digia employs one of Finland's largest D365 specialist communities. In recognition of our strong expertise, Microsoft chose Digia once again as a member of the global Business Applications Inner Circle partner network and as a Smart Business Solutions/Dynamics 365 Partner of the Year.

[Read more >>](#)



Cooperation and networks

The best expertise and the necessary resources at our customers' disposal

Digia Hub is a strongly growing network of top professionals, which our customers can use flexibly for a range of different assignments. Digia Hub provides effective assistance for project resourcing. We expanded the network in 2022, such as with the highly sought-after addition of cyber and information security experts. Digia Hub Oy was merged into Digia Finland Oy on 31 December 2022.

Fulcrum Digital enables the use of international experts in a variety of our customer projects.



Responsibility

We are creating sustainable digitalisation together

Digia is building sustainable digitalisation that makes a difference – through collaboration with our customers and partners. We have systematically developed our own ways of working and created smart solutions for our customers to promote sustainable development and contribute to solving sustainability challenges. Our responsible and sustainable way of working is integral to our strategy and instrumental to our business success. In order to further develop our operations, we bolstered our responsibility organisation by establishing new positions: Head of Sustainability and Green Code Expert. For years, we have sought to reduce our own footprint – in 2022, we paid particular attention to our positive handprint through customer work. Read more in our sustainability report.

Mergers and acquisitions

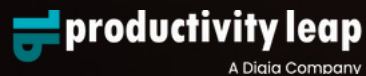
In 2022, we carried out three acquisitions. We have successfully scaled our business growth with our acquirees and strengthened our market position in selected areas. Together we are more.



Most Digital

Most Digital's OIVA Smart Automation is the most cutting-edge automation on the market, provided as a real service. Demand for this open source code-based SaaS robotics platform has been strong. Combined with Digia's current offering, it provides our customers with significant new added value.

[Read more >>](#)



Productivity Leap

The acquisition of Productivity Leap improves Digia's capabilities as a comprehensive digitalisation partner, particularly in social welfare and healthcare, and supports our growth in the years ahead. In addition to integration solutions, we already deliver knowledge management solutions to over 10 wellbeing service counties.

[Read more >>](#)







Avalon

Avalon and Digia joined forces to provide meaningful next-generation customer experiences. Avalon focuses on digital marketing and the development of customer experiences. It bolsters our position as a pioneer in the market as a provider of extensive digital service packages based on data and analytics.

[Read more >>](#)

Intelligent business, taking all layers of digitalisation into consideration

For our customers, we are a turnkey provider of intelligent solutions and a service company that manages the service lifecycle from implementation to maintenance and development. Our business is based on four service areas, which in 2022 were: Intelligent Solutions, Managed Digital Core, Business Platforms and Financial Platforms.

Intelligent Solutions – Successful and data-driven digital services		Intelligent Solutions provides comprehensive digital services for successful business. Key areas include a variety of data utilisation solutions, efficient e-commerce, versatile online and mobile services, and innovative business and service design. In addition, our subsidiary Climber also offers in-depth data-based business intelligence services. Digia Hub in turn harnesses the strength of an extensive network of experts and provides top IT freelancers for various projects.
Managed Digital Core – The core of digital business		Managed Digital Core provides our customers with the foundations of digital business: cloud services, integration and API solutions, robotics and AI, knowledge-based management, data security and high-security software development, and 24/7 managed services.
Business Platforms – Support for day-to-day processes		Business Platforms provides ERPs and extended CRM solutions to organisations and companies in both the public and private sectors. Our offering comprises Microsoft Dynamics 365 solutions, Oracle NetSuite solutions and our own Digia Envision ERP product which have been awarded the Key Flag symbol.
Financial Platforms – end-to-end systems for the financial sector		Financial Platforms revolves around the Digia Financial Systems product family (DiFS), which is one of the most extensive financial systems for fund management companies, asset managers and brokers in the Nordic countries. DiFS also includes comprehensive account and loan functionalities for banks and creditors. We also provide the necessary back-office functions and processes as a flexible end-to-end service.



We help our customers renew themselves in the networked world

Digia is a partner you can rely on in the development of intelligent business. We implement platform solutions and help our customers harness data and design the best possible digital customer experience.

Software, their growing intelligence and data are changing the world. Organisations' value creation models and people's work patterns are evolving. Business value is created in networks and ecosystems, using data intelligently.

For its customers, Digia is a turnkey provider of intelligent solutions and a service company that manages the service lifecycle from implementation to maintenance and development. We provide our customers with a service package covering mobile and online services, data platforms and knowledge-based management, integrations and APIs, as well as business core systems including high-security solutions.

We create sustainable value for our customers with our versatile offering

We are a visionary and reliable partner for customers in a networked and data-driven world. Strong

customer relations, professionalism, versatile product and service packages, a partnership network and responsibility form the basis for our operations.

We grow and evolve together with our customers. We take a long-term approach to building our partnerships and provide sustainable value for our customers with our versatile offering. We combine the strengths of different business areas to form packages that serve our customers' needs.

In 2022, we bolstered our position particularly in the Finnish higher education sector, social welfare and healthcare services, and knowledge management. In addition, by means of an acquisition, we have created new added value for our customers by providing them with access to the most advanced software robotics on the market. In spring 2022, we established our new Defence business, which serves defence and high-security operators in particular.

Sectors in which our customers operate:	
Energy	Banking, insurance and asset management
Grocery	Social welfare and healthcare services
Public sector	Industry
Security	Wholesale and retail trade
Services	Unemployment funds and trade unions

CASE

The Finnish Defence Forces develops its digitalisation capabilities long-term with Digia

The main objectives of the digitalisation of the Finnish Defence Forces is to enhance their digitalisation capabilities and harness the benefits of digitalisation in the development of performance. The Finnish Defence Forces have engaged in systematic digitalisation development efforts for a long time – progress in these efforts is supported by a digitalisation programme launched in 2021.

Digia has been working closely with the Finnish Defence Forces for twenty years and is its trusted partner. The cooperation promotes technological expertise and ensure the domestic security of supply of the critical systems of the Finnish Defence Forces even in exceptional circumstances.

“The current security environment with its cyberattacks shows that the world is data-driven – defence is a key function in which the importance of data and digitalisation capabilities are put to the test. Data and digitalisation yield, among other things, decision-making capabilities, predictability, higher operational efficiency and overall understanding. In fact, reliability is the most important criterion for a defence industry digital partner.”

Colonel Jarkko Karsikas, Chief Digital Officer at the Finnish Defence Forces.

[Read more about our cooperation >>](#)



CASE

Fingrid chose Digia as its digitalisation development partner

Fingrid is responsible for Finland's main electricity grid and is one of the country's most critical operators from the society and climate action perspective. Cooperation with Digia began with the need to reform financial management systems and improve the management of investments. The company also wanted a long-term partner to develop digitalisation, and now Digia acts as a partner in developing the Tuntihinta mobile application, integration services, data warehouse renewal, financial management systems and CRM solutions.

Fingrid particularly appreciates Digia's expertise and experience in the sector and the expertise of the high level of data security vital to Fingrid's operations. Cooperation with Digia has, among other things, streamlined the company's processes, helped develop digital services and produced significant results.

[Read more about >>](#)

CASE



Laattapiste builds the digitalisation of the future with Digia Envision ERP

Laattapiste is Finland's leading specialty store for surface materials and bathrooms, providing its customers with products and services ranging from bathroom renovations to furniture and adhesives. Digitalisation has been an important area of focus for Laattapiste in recent years, and the company has chosen Digia as its digitalisation partner for business systems, among others. The partnership has been going on for a decade, and Digia Envision ERP is the backbone of digitalisation at Laattapiste.

[Read more about >>](#)

CASE



The City of Tampere's new software robot automates the processing of library card applications

In July 2022, the City of Tampere took Digia's software robot to process electronic library card applications for libraries in Pirkanmaa. During the autumn, the software robot "Korbot" processed almost 3000 library card applications and freed up staff time for advising customers. The digitalisation of applications shortened the queues at customer service counters, and the staff has been able to spend time advising customers instead of routine work.

[Read more about >>](#)

CASE



Technology must meet business needs – Elo modernised its corporate loan system

Corporate financing services are part of Elo Mutual Pension Insurance Company's investment activities. When Elo's previous loan system reached the end of its life cycle, they chose Digia as the supplier of the new system through a competitive tendering process. The new system has responded well to the needs of the business, and the automations it enables have already significantly improved the efficiency of Elo's operations.

[Read more about >>](#)



Developing digitalisation together

Digia's key strength lies in its broad-ranging, profound and continually evolving technological expertise combined with an encouraging and evolving workplace culture.

Skilled, committed and customer-oriented personnel are the cornerstone of Digia's operations. We aim to be a desirable employer in the technology sector – and we support personnel wellbeing and competence development.

We believe that in an esteemed and productive workplace community, it is possible to create a good balance of meaningful work, continuous learning, wellbeing, goal-orientedness and a sense of community.

We want to provide a safe and healthy working environment in which every employee is valued for themselves. Wellbeing, equality, inclusion and nondiscrimination are major building blocks of our approach to being a good employer.

Fostering wellbeing is part of our culture

Our main strength lies in our broad-ranging, profound and continually evolving technological expertise combined with an encouraging and evolving workplace culture. We want to be a pioneer in good leadership and workplace culture. Meaningful tasks and having the skills for success at work support occupational wellbeing and a good employee experience. Digia employees can improve their competence with training – which is provided or supported by the employer – as well as through learning on the job and in networks.

In 2022, we continued to work according to Digia's hybrid model. Our employees can flexibly choose a suitable way to work in each team and task. 70 per cent of Digia employees have opted for full-time remote work. Flexibility and the adaptability of work enhance occupational wellbeing – but we must nurture a sense of community in remote work, too. To that end, Digia has utilised different forms of virtual work. After the waning of the pandemic, the company has gradually encouraged face-to-face meetings.

Development of leadership is a key tool for an encouraging workplace culture

Good leadership and its development comprises a key tool in fostering an encouraging and evolving workplace culture. In 2022, we continued to invest in developing leadership with the aid of our two customised coaching programmes for supervisors (DiVe) and experts (DiVa). This valued training seeks to enhance Digia experts' trust-building skills and their ability to lead and orchestrate cooperation.

During the year, we developed our induction by means such as updating the induction materials drafted for our supervisors. Other major outlays were our new business platform and the new operating methods it supports as well as

induction on diverse management situations. This work is continuing in 2023.

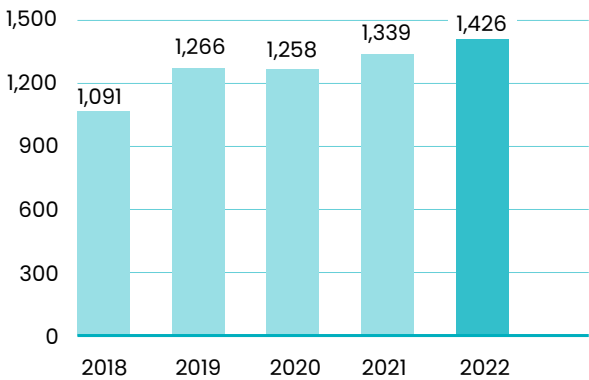
Success hinges on effective recruitment and networks

Successful recruitment that supports Digia's workplace culture is essential for competence development and business success. Smooth induction is essential for both operational efficiency and success at work – and thereby for wellbeing.

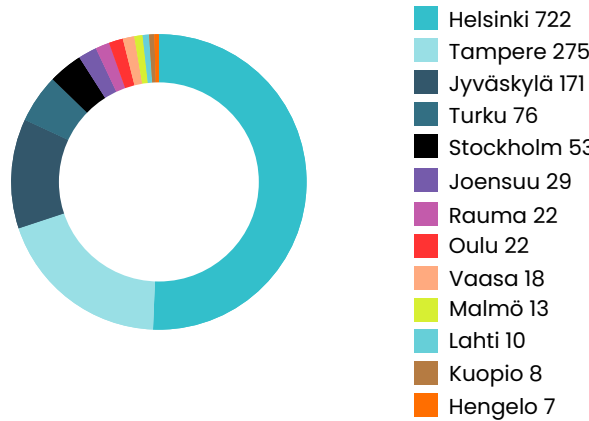
Induction has also bolstered sense of community – when the New Digia tribe activities began in 2022, new Digia employees could meet each other and network. Digia has an "onboarding buddy" role that seeks to smoothly integrate new employees into the community.

We constantly monitor and develop our employer image and recruitment effectiveness. We are investing heavily in Digia's own executive search function – and in the spirit of continuous improvement, we are testing out evolving recruitment methods. For instance, virtual interviews have become commonplace in recruitment. We recruit a wide range of employees, both seasoned professionals and industry novices. In 2022, 87 new Digia employees joined the company. In addition to recruiting seasoned IT professionals, we offered students and career changers not only

Employees 31 December
Number of employees

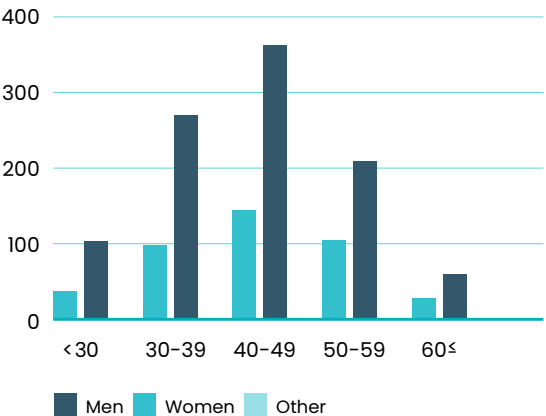


Personnel by location 31 December
Number of personnel



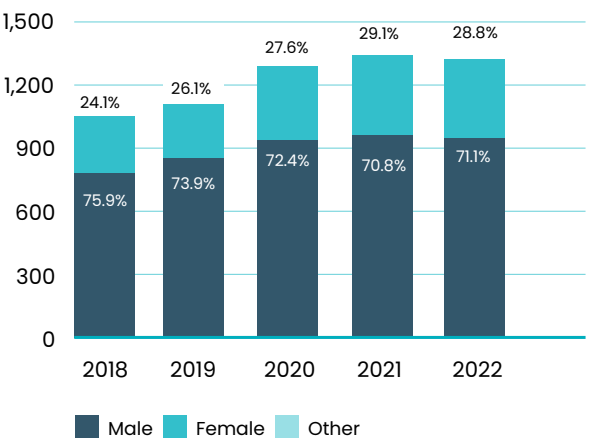
Personnel distribution by age 31 December

Number of persons



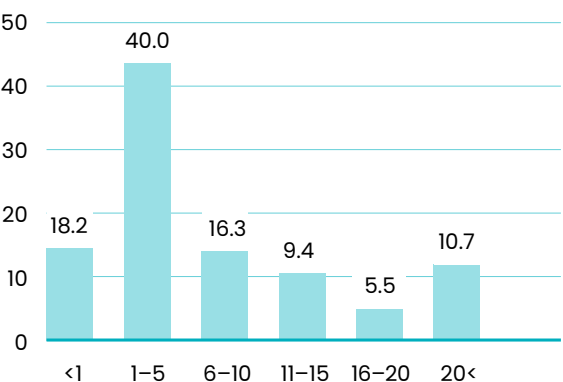
Employees by gender 31 December

Number of employees



Personnel by years of service 31 December

Per cent



permanent positions, but also dozens of trainee placements and thesis-writing opportunities. Turnover in the IT sector has grown in recent years and stabilised at a rather high level. Digia's employee turnover in 2022 was 15.6 per cent.

We continued to hold our popular Career Compass recruitment breakfasts virtually after the coronavirus restrictions were lifted. People living in different municipalities can flexibly attend these virtual meetings. In Q1, we recruited 45 novices to Digia through the Career Compass programme. In the early summer, we held a Get Together event for those hired through the Career Compass. This praised event enabled newcomers to the industry to network with each other and think about their professional career development.

We also continued our active cooperation with educational establishments and the development of our employer image in 2022. We cooperated

closely with the Mimmit koodaa (Women code) programme, participating in three nationwide virtual events. In addition, we partnered with Women in Tech, organised meetups for senior mobile and integration experts, and participated in several recruitment fairs.

During the year, we also organised several student excursions to our offices. We deepened our cooperation with higher-education institutions and students by means of project cooperation and increasing the number of expert lectures. In addition, Digia took active part in a variety of student events as part of our efforts to develop our employer image. We also started up cooperation with Aalto University students through the Aalto Gamers student association, such as by sponsoring the students' League of Legends Finnish Championships and organising a recruitment and CS:GO gaming event for members of the association.

Offshore operations yield efficiency and versatility

Small entrepreneurship is gaining in popularity in the IT sector alongside traditional employment. The Digia Hub network offers freelancers access to a broad variety of Digia projects. The network consists of over 2,000 freelancers and hundreds of subcontracting companies in Finland. Digia Hub also has nearshore subcontractors and freelancers, primarily in the EU. At the end of 2022 360 people worked as subcontractors in Digia projects.

For Digia, partnership is part of the strategic building of growth and scalability. Digia's main partner in subcontracting international experts is Fulcrum Digital, which has established a dedicated Digia office in Pune, India. The agreement was signed at the end of 2021. In a partnership, shared values are vital. Fulcrum Digital is committed to

complying with Digia's Code of Conduct and principles of responsible operations. During the year, training on Indian culture was organised for Digia employees working with offshore experts – and, likewise, training on Finnish culture was provided to experts in India.

In 2022, Digia stepped up its offshore operations with Fulcrum Digital to 20 experts. Substantial growth is being sought in this area during the 2023–2025 strategy period.

Digia has a big competitive edge, as it operates in Finland close to its customers and offers 24/7 Finnish support. Offshore capabilities and international teams in turn ensure scalability and cost-effectiveness. For Digia experts, offshore operations enable them to work in top international teams.

Remuneration is a package

In 2022, we developed our salary and incentive practices by means such as utilising Digia's salary and incentives manual, which is intended to improve clarity and transparency on how salaries and incentives are formed.

Digia regularly develops its salary and incentive practices and structures as part of continuous development. We monitor market practices and think about what sort of overall remuneration would work at Digia.

Digia's starting point is that the employee experience and success at work are best supported with a well-rounded overall remuneration model. Remuneration includes not only salary, bonuses and employee benefits, but also intangible rewards such as matters related to competence development, wellbeing and work-life balance. Digia provides extensive and comprehensive employee benefits, such as dental care, employee apartments and bikes, and care services for sick children. As a rule, fixed-term, part-time and permanent employees all enjoy the same employee benefits.

Digia upholds equality in its remuneration principles. We monitor the realisation of equal pay with

a variety of indicators. Personal characteristics – such as gender, age, minority status, etc. – must not affect remuneration. We have shared salary and incentive principles and processes in place to safeguard this aim. Equal pay is part of our responsibility and our equality and non-discrimination plan.

Employees in Finland are covered by the Collective Agreement of the IT Service Sector

Each Digia employee in Finland, with the exception of Digia's Group Management Team, is covered by the Collective Agreement of the IT Service Sector. Digia has shop steward activities in accordance with the Act on Co-operation within Undertakings. Digia has six shop stewards – one chief shop steward and five local shop stewards. The collective agreement is complemented by local agreements that reflect our work culture, covering matters such as flexible work.

As a result of acquisitions, those Digia Group companies that still operate independently may adhere to different collective agreements. If no collective agreement is in force, current legislation is observed.

For more information on HR matters at Digia, such as equality and competence development, see our Sustainability report.

Digia's starting point is that the employee experience and success at work are best supported with a well-rounded overall remuneration.



Our culture makes us – Digia employees

Culture is the ERP system of our everyday life. A mindset and way of working that guides our choices. Culture is the connecting factor that makes us Digia employees.



Learning – every Digia employee is a Senior Trainee

We complete our work, but our self-development is never over. Incompleteness does not rule out top expertise, but quite the contrary. The more you learn, the more curious you will also be as you head towards the future.

Sharing – together we know more

Shared information is double the information – and helping saves time. Sharing challenges us to be transparent. It is an attitude and a decision to contribute to the common good.

Courage – it will not sting that bad

I choose what works best. If I chose wrong, I will choose again. We dare to try and move forward – with the attitude of a visionary partner.

Professional pride – we stand behind our work

What goes around will not come around as a surprise. Professional pride means caring and taking action. We want to be proud of ourselves, each other, and what we accomplish.



We are creating sustainable digitalisation

Our responsible and sustainable way of working is integral to our strategy and instrumental to our business success. Our aim is to build sustainable digitalisation that makes a difference.

Focus areas and key indicators of Digia's corporate responsibility

The topics, objectives and key indicators of responsibility reported on here are based on the definitions of our sustainability programme for 2020–2022. Our development priorities for 2022 were to develop our ethical operating culture and human rights impact assessment, and to develop environmental responsibility in accordance with our climate roadmap.

For more information see our Sustainability report.

Sustainable digital value for our customers while building a functional society

Topic	Objective	Key indicators	2022
Solutions that promote the responsibility of our customers	Improving the responsible use of data	Growth in data protection impacts and security analyses in customer orders, %*	46%
		Activity in the ethical utilisation of data, examples*	Examples in Digia's Sustainability Report
	Improving availability and user-friendliness of services	Growth in accessibility design and testing, %*	40%
Promoting the sustainable digitalisation of society	Solutions that enhance environmental and social responsibility for society and our customers	Description of the solutions and their sustainable development impacts*	Examples in Digia's Sustainability Report



Sustainable digital expertise for both our personnel and Finland as a whole

Topic	Objective	Key indicators	2022
A learning community for top digital experts	The value of our personnel's expertise increases during their term of employment.	Growth in certified expertise in the selected area, % (2022: cloud)*	15%
		Employees for whom a learning target has been set, %	Not known due to system change
Bolstering technological expertise in Finland	We train new digital experts every year, to meet both our own needs and those of the sector as a whole	Total annual number of participants in external and internal training programmes as well as trainees and students working on theses*	55



Sustainable digital life in our own work with respect for the environment

Topic	Objective	Key indicators	2022
Employee well-being and diversity	Among the best in the sector in occupational wellbeing	Personnel satisfaction with team spirit and work-life balance (0–100)*	Satisfaction with team spirit 74 Satisfaction with work-life balance 82
		Sick leave (days/person, average)*	7.1
	Digia fosters diversity and inclusion at different levels of the organisation	Age and gender distribution of the Management Team, Board of Directors, supervisors and personnel*** % of supervisors who have undergone training to promote diversity and inclusion *	See the Report by the Board of Directors: "Gender and age breakdown of management and personnel in 2022" 70%
Carbon-neutral Digia	Reducing CO ₂ emissions	CO ₂ emissions**	See the Sustainability Report: "Towards a carbon-neutral value chain"
Ethical operating culture	Entire organisation has adopted ethical ways of working	% of employees who have completed Code of Conduct training*	68%

* The entire Group, excluding Climber International AB and its subsidiaries, and Productivity Leap Oy and Avalon Oy, which became part of Digia Group in late 2022.
** The Group's locations in Finland, excluding Productivity Leap Oy and Avalon Oy, which became part of Digia Group in late 2022.
*** Entire Group.

The digitalisation trend remains strong

The importance of automation and data utilisation is increasing – intelligent business is the next level of digitalisation.

The long-term trend in the demand for digital solutions remains strong, and data utilisation harnessing intelligent technology both efficiently and securely is an increasingly essential success factor for all organisations. In our view, the IT service market will continue to grow, even though risks related to short-term demand have increased in the operating environment, particularly due to the weaker macroeconomic outlook and high inflation. Mounting uncertainty in the global economy might slow down the growth rate.

We believe that the following trends will gain momentum:

- User-centered and secure solutions
- Intelligence and automation
- From isolated solutions to renewal of the entire business
- Networked business operations
- Sustainable development

The direction of digital evolution is common to all

In our view, intelligent business is the next level of digitalisation. Ever-smarter software and the increasing use of data are changing the world permanently – and competition is tightening in every industry. The need for intelligent business development grows as operating environments also become more complex.

Automation and data utilisation are becoming more important in business and we are increasingly moving towards operations that are assisted or controlled by AI. This will be evident in both end-user applications and business processes.

Application and IT systems will expand strongly from isolated solutions to larger solution. Systems and applications are becoming networked – this is a prerequisite for data availability. At the same time, the importance of security and integration is highlighted.

The direction of digital evolution is common to all, but each customer is unique and on their own development path.



We support the development and growth of our customers' operations

Intelligent business provides companies and public-sector actors with new opportunities for developing their operations and knowledge-based management. At the same time, they have a growing need for partners to support this development.

Digia is a visionary and reliable partner for customers in a networked and data-driven world. Our core business is to help our customers with intelligent solutions for business development, knowledge-based management and ensuring the continuity of their operations.

We serve our customers with extensive solution packages and customer-specific solutions. This enables us to position ourselves to support our customers' business growth.

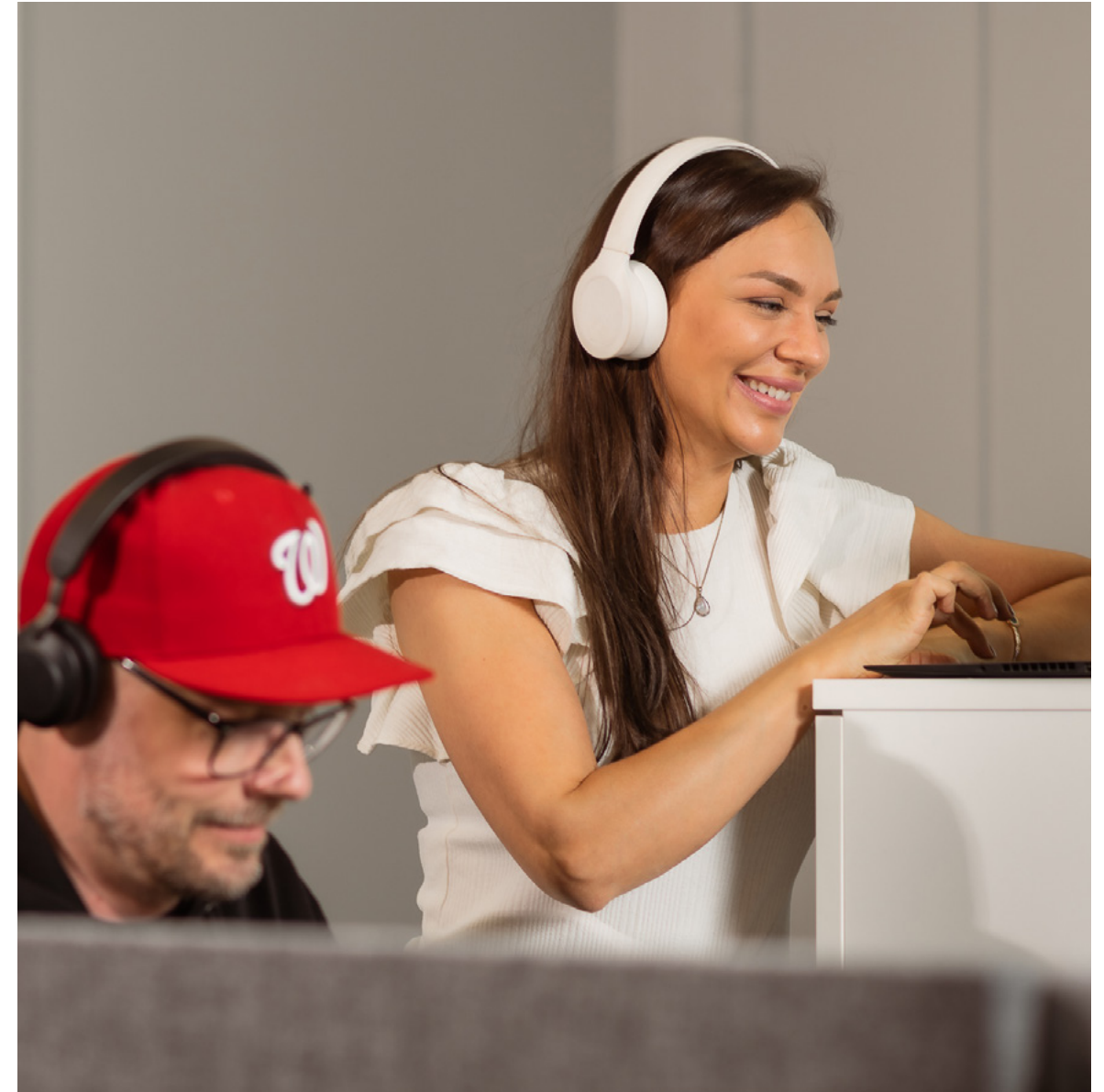
We are a company with a wide industry-independent product and service offering that combines the strengths of different business areas into end-to-end packages to serve customer needs. We are a comprehensive partner to organisations – we help them in the development of intelligent business regardless of their sector or stage of development. Our versatile offering and expertise enable us to operate agilely in different markets.

Our business model is based on consulting, project deliveries, continuous services and outsourced

application management. We harness both our own products and solutions provided by our leading technology partners. We develop and grow together with our customers.

Our growth strategy includes acquisitions. In 2022, we strengthened our automation platform services, knowledge management capabilities and expertise in customer experience development by acquiring Most Digital Oy, Productivity Leap Oy and Avalon Oy. Read more on page 8.

In addition to our project business, Digia provides comprehensive services for maintenance, monitoring and continuous development. For instance, we have a 24/7 Service Center in Finland – our customers appreciate it and use it extensively. Service and maintenance agreements provide stability to Digia's business operations and serve as the foundation for building long-term, evolving customer relationships. In 2022, the service business accounted for 60.3 per cent of our net sales.



Digia's strategy 2023–2025 – Unlock Your Intelligence

The updated strategy is based on our delivery capabilities that are valued by customers and our organisation's ability to engage in continuous renewal. Our objectives for the 2023–2025 strategy period are to continue generating sustainable customer value and profitable growth as well as internationalise our business.

We combine technological possibilities and human capabilities to build intelligent business, society and a sustainable future. We ensure that our customers are at the forefront of digital evolution, with an operational model and rhythm that are right for them. We harness Digia's well-rounded expertise and comprehensive offering as well as operational models that suit the customer's needs.

We constantly renew our own operations and expertise, and work with reliable partners. As a versatile company, Digia can offer its employees meaningful job tasks and new things to learn. We are building a responsible society and Digia.

We implement our strategy by tapping into all of the strengths of Digia and the special expertise of our service areas. As a unified company, we

provide our customers with large scale solutions and the expertise of our specialised service areas for their individual needs. We build long-term customer relationships and partnerships.

Digia's strengths:

- Reliability and long-term customer relationships
- Diverse and constantly evolving top expertise
- A versatile offering where solution connectivity enables expanding customer relationships
- A strong financial position
- A business model in which continuous services yield operational stability
- The ability to carry out successful acquisitions and grow the acquirees as part of Digia

Strategy growth paths

Specialised service areas for specific needs

Large scale solutions utilising all of Digia's extensive offering

Expanding our target market and customer relationships with international operations

Enriching our offering and venturing into new markets and customer relationships with acquisitions

Growth enablers



- A modern and attractive work community
- Learning-focused, professional and relaxed culture
- We want our employees to enjoy working at Digia



- Productivity of our own operations
- Scalability for customer service and product based solutions



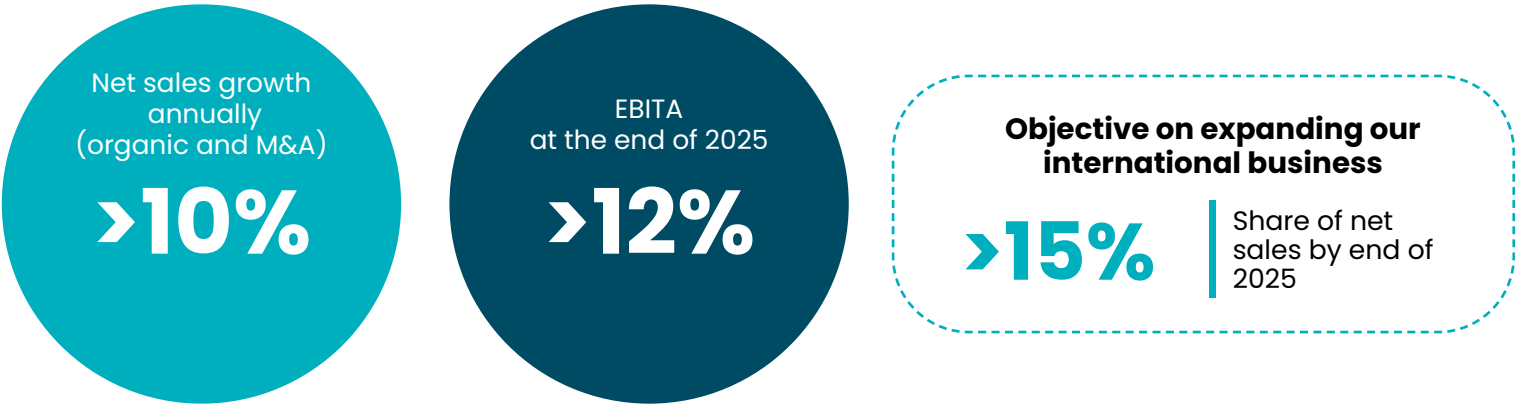
- Sustainability as a part of everyday activities

STRATEGY 2023–2025 21

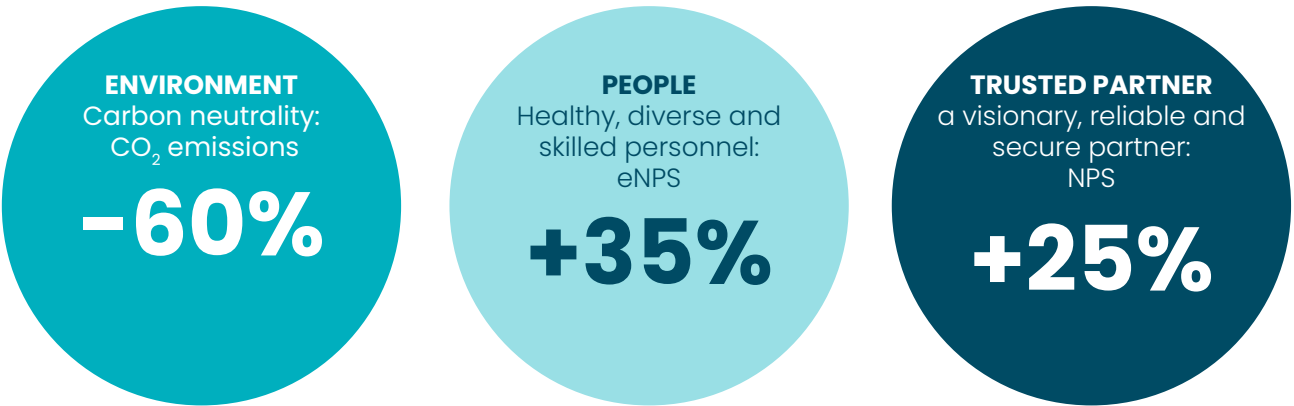


Objectives for the 2023–2025 strategy period

Financial objectives



Sustainability objectives



CO₂ – the comparison year in emissions calculations is 2019, desired value at the end of 2025
eNPS = employee net promoter score, comparison year 2022
NPS = customer net promoter score, comparison year 2022



Digia Plc

Atomitie 2 A, 00370 Helsinki , Finland

digia.com

Tel. +358 (0)10 313 3000