



The power of purposeful technology

REMUNERATION REPORT

2024



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 CO₂ 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 CO₂ 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 2024¹⁾

Name	Annual remuneration, EUR		Meeting fees, EUR
	Paid in cash ²⁾	To be paid in cash and shares ³⁾	
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 Tietoevry⁹⁾

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.

Performance Period	Delivered in 2024	Active plans in 2024			For implementation in 2025
	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).



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