

A person is standing on a rocky mountain peak, looking out over a vast landscape. The sky is filled with soft, white clouds, and the overall atmosphere is serene and expansive. The person is silhouetted against the sky, emphasizing their small size in the grand natural setting.

tieto

CEO REPORT 2025

Changing gear to deliver growth

Annual General Meeting

Endre Rangnes
President and CEO

2025 – a year of profound change with early signs of performance recovery

- Divestment of Tech Services
- CEO transition
- New leadership team
- Engagement of key stakeholders
- Cost optimization program
- Rejuvenated strategy and new financial targets

Revenue

€1 852.3m

(€1 879.5m)

Organic growth

-2%

(-1%)

Adj. EBITA

13.8%

(12.0%)

Net profit ²⁾

€25.6m

(€70.2m)

Operating cash flow¹⁾

€296 m

(€326m)

Order backlog

+13%

1) Year 2025 not fully comparable as includes cash flow from the discontinued operations for eight months whereas in 2024, for the full year

2) For continuing operations

Group Executive Team



Endre Rangnes
President and CEO



Ari Järvelä
Tieto Caretech
Managing Director



Mario Blazevic
Tieto Banktech
Managing Director



Johan Enger Nygaard
Tieto Indtech
Managing Director



Pär Johansson
Tieto Tech Consulting
Interim Managing Director



Jussi Tokola
General Counsel,
Head of Group Legal
and Compliance



Tomi Hyryläinen
CFO



Trine Rønningen
Head of HR



Jonna Peltola
Head of Communications
and Brand



Oddgeir Hansen
Executive Project Lead



Jacob Nestande
Head of Group Operations
and Platforms

Strong foundation to generate future growth



Deep customer relationships

- Long-term relationships
- Diversified client base
- Leading market position in the Nordics
- International client base

Distinctive capabilities

- Leading software assets and defined industry focus
- Broad competence to drive AI projects to business impact
- Nearshore/offshore delivery model
- Sale of Tech Services to simplify

Solid financial foundation

- Capital-light business model
 - Stable margins
 - Solid cash flow generation
 - High share of recurring software revenue
-

Strategy rejuvenated – execution through 4 strategic priorities

Our strategy for 2026–2028

Become European software and technology consulting market leader within selected industries

We execute through 4 strategic priorities

01

Customer first

02

Simplified core

03

Selective expansion

04

Competitive cost base

Our success is measured by our financial targets

Growth (CAGR 2027–2028) >5%

Profitability (2028) >16%

Solid execution of 4 strategic priorities

01

Customer first

- Long-term contracts secured in Banktech with record-high order backlog of >€1 bn
- Significant wins in Caretech in Finland securing Nordic leadership
- New sales acceleration programme launched – sales force strengthened

02

Simplified core

- New operating model with improved accountability in Tech Consulting
- Divestment of Bekk Consulting AS
- Divesting Edlevo and HR & Payroll units from Indtech
- Simplification of the Group support functions
- New Tieto brand launched

03

Selective expansion

- Strategic partnerships with NTT DATA and x-tention to support Caretech's European expansion
- Acquisition of OpenSpring and GrupoOnetec to accelerate growth in Iberia

04

Competitive cost base

- Resetting the cost base – run-rate savings of €95m achieved by the end of 2025
- Target uplifted to €130m by the end of 2026– progressing ahead of plan

Dividend proposal in line with new capital allocation principles – share buyback programme launched

01 Invest in organic growth

02 Dividend 60-80% of net profit¹⁾

03 Net debt/EBITDA <2x

¹⁾ Adjusted for non-cash one time items

With excess capital:

Share buybacks or extraordinary dividend



Dividend proposal
€0.88/share (€104m)

- Represents the upper end of the payout range of **60-80%**
- Dividend yield **4.9%**²⁾

€150m share buyback programme launched

- Represents approx. **7%** of all shares with the current share price
- Shares to be cancelled on monthly basis

²⁾ Based on closing price on 20 March 2026

A focused software and services supplier to strengthen customer centricity

Industry verticals

tieto Tech Consulting

- Nordics, Central Europe and USA as core markets
- Customers in Financial services, Public sector, Healthcare, Manufacturing and Telecom
- AI, cloud, data, enterprise app's, SW engineering, CX

Care providers

tieto Caretech

- Leader in the Nordics and expanding to other European markets
- Open, modular, data-driven healthcare and welfare software portfolio

Banks

tieto Banktech

- Leader in the Nordics and select domains internationally
- Modular software and solutions for key banking processes

Niche industries

tieto Indtech

- Leader in the Nordics and select domains internationally
- Industry specific software, data services and integration platforms

14 000
professionals globally

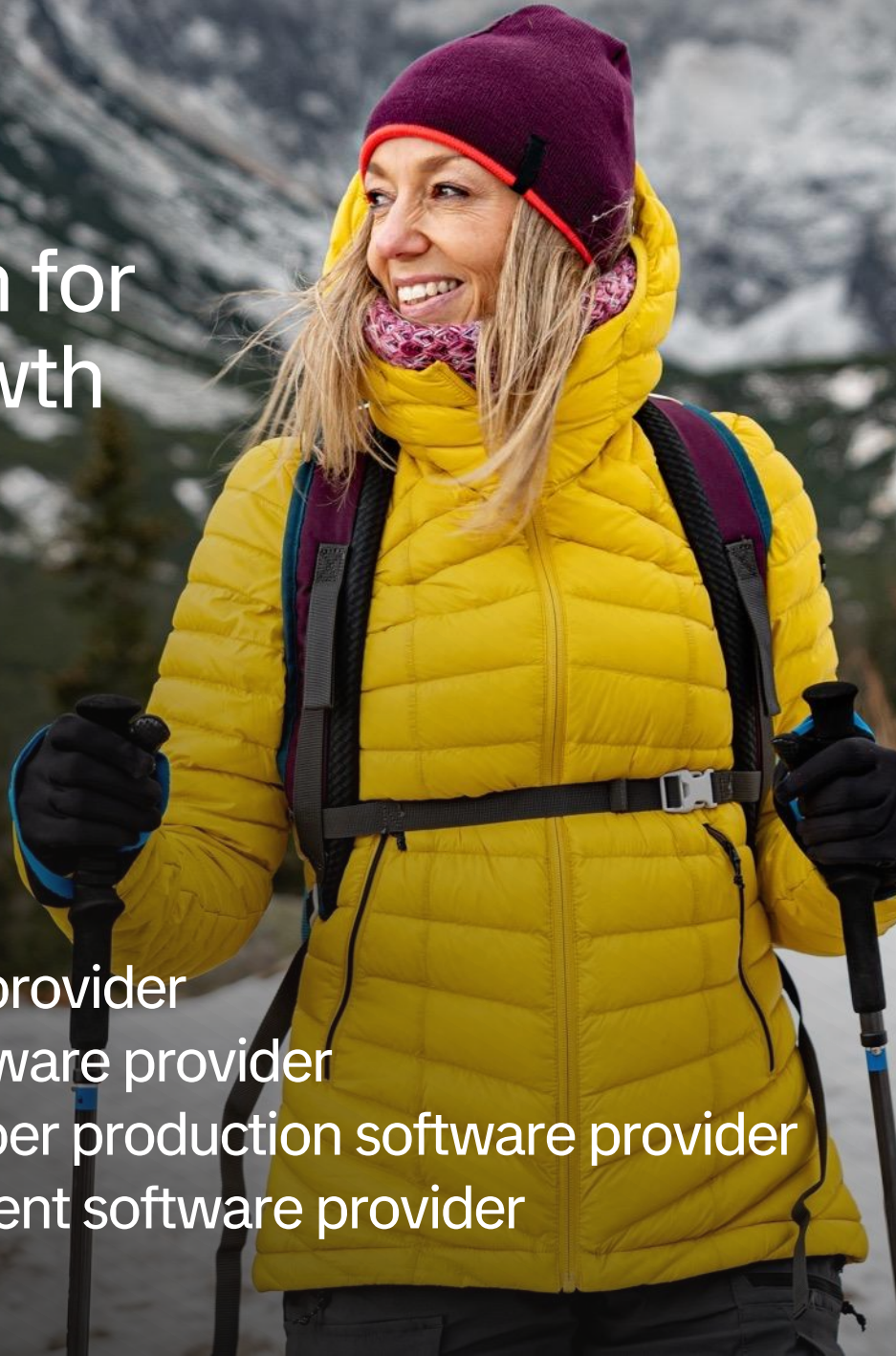
Thousands
of customers

Serving customers
worldwide

Success in
home markets
strong foundation for
international growth

#1

- Nordic Bank software provider
- Nordic Healthcare software provider
- Global Pulp, paper & fiber production software provider
- Nordic Case management software provider



10 million

Nordic citizens
in our integrated care

2 billion

transactions for invoicing,
food distribution, customs,
the electricity system

€100+ million

protected for our customers by
Fraud prevention solutions in 2025

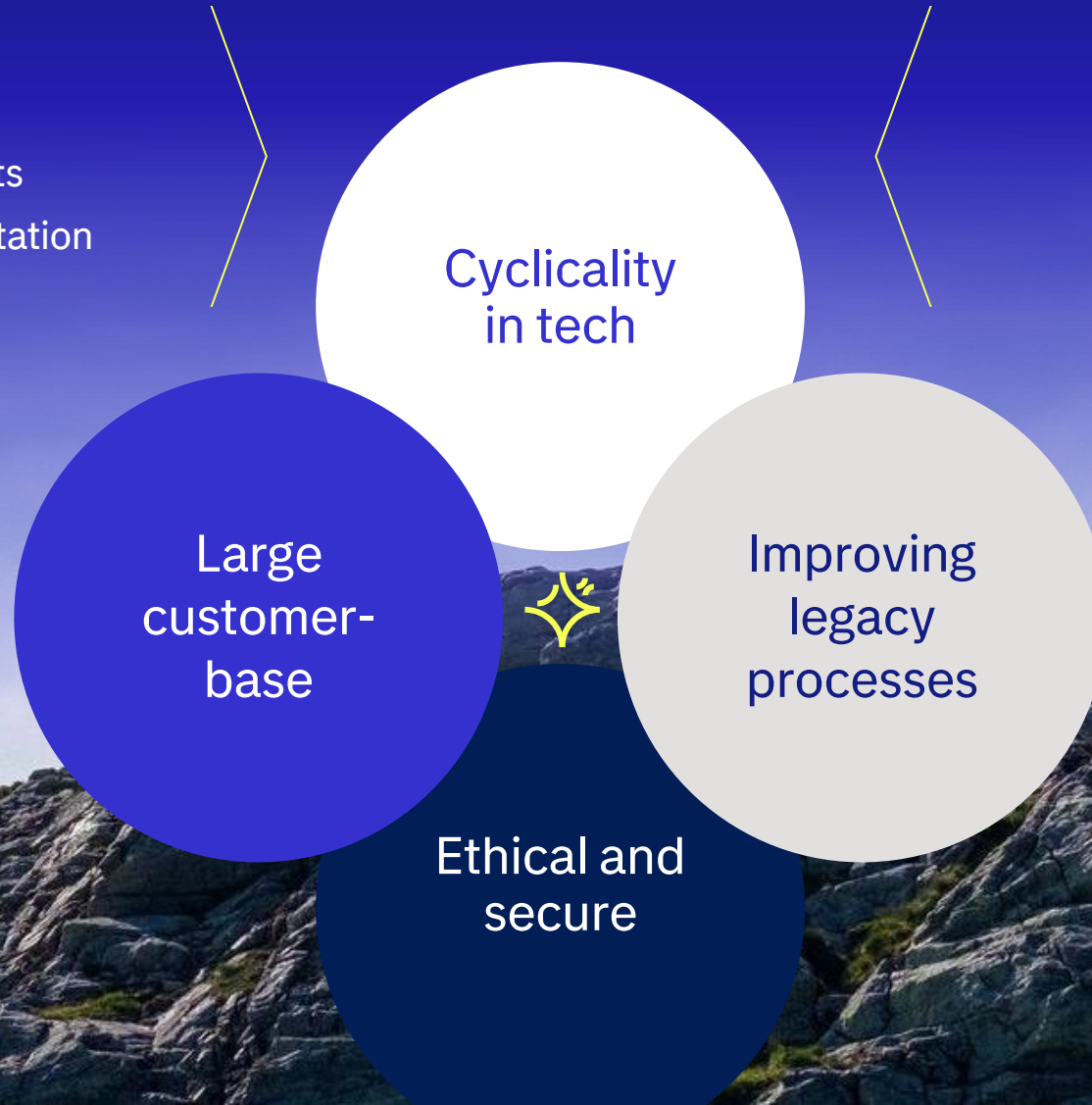
15 billion

payment authorizations
every year

Driving impact from AI

2026+ customer priorities

- Process improvements
- Cost optimization
- Data architecture advancements
- Cloud strategies and implementation
- Cybersecurity enabled by AI



At Tieto

- 80-90% of SW engineers use GenAI tools with 20-30% productivity improvement to date
- Improving sales and operational efficiency for Tieto and our customers
- Governance and advisory
- New/Renewed products & services

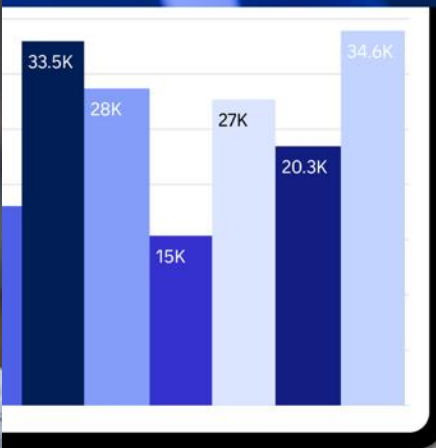
Fundamental mindset change is reflected in the positioning and brand

Differentiating position
Simplified name
Rejuvenated identity

Impact partner



tieto



Advancing in sustainability

Our focus

Climate
action

Social
impact

Ethical
conduct

Achievements from 2025

- Rating A in Climate category on Carbon Disclosure Project (CDP)
- Science Based Targets initiative (SBTi) validated Tieto's new long-term ambitions and net-zero in full value chain by 2040
- Tieto India recognized as Top-Rated Mid-Sized Company, Top Workplace for Women, and Top IT/ITES Employer
- Top Female Workplace DACH 2025



Towards growth with clear priorities

2025

Prepare foundation

Simplify operations,
portfolio and cost
structure for growth
and expansion

2026

Year of execution & transition

Conclude simplification
and proven growth for
software businesses

2027-2028

Deliver
performance

>5%

Competitive high
performing businesses
consistent growth and
international expansion

>16%

Thank you

tieto