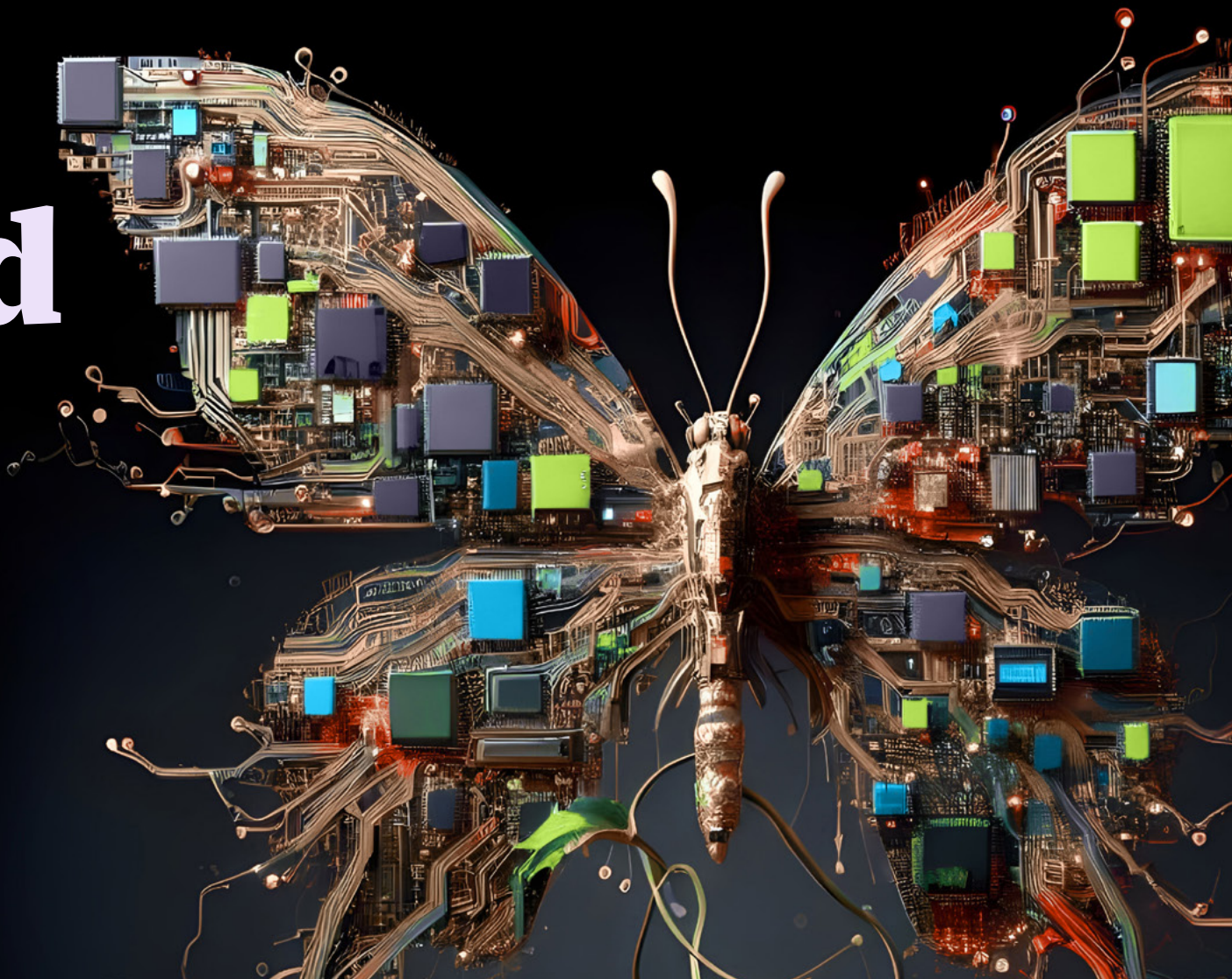


ANNUAL REPORT 2024

Forward Focus

 etteplan



We bring people and technology together to change things for the better.

Today's business landscape is increasingly complex and companies face constant demand for innovation. Etteplan embraces these challenges by transforming complexity into extraordinary outcomes.

As a technology service company, we bridge people and technology together foster positive change. By working together, we achieve our greatest results – smarter, stronger, and united. Collaboration across disciplines and service areas is key to our success, creating a diverse community where knowledge is shared and everyone feels included. This approach has propelled Etteplan for over 40 years, from engineering solutions, flowing into information management, digital transformation, and sustainability.

Today, with around 4,000 people working on three continents, we continue to achieve remarkable solutions through collective effort. Solving complex challenges and moving toward a desired future requires more than solitary heroes; it demands a united and collaborative approach.

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Annual Review

Etteplan in brief

We are a technology service company that brings people and technology together to create a better future. Our shared goal with our customers is to find the next breakthrough in products, processes, and businesses. Our bold thinking guides us toward solving the most significant challenges, starting with engineering solutions, moving to technical communication, digital transformation, and sustainability. This mindset has led our operations for 40 years.

As a leading player, we stand out with our diverse expertise, strong knowledge, and managed services. In collaboration with our customers, our experts help industrial companies move toward change by optimizing their products and processes and making them smarter and more sustainable. Together we raise the bar for what a technology service company can achieve.

Etteplan's shares are listed on Nasdaq Helsinki under the ticker ETTE.

KEY FIGURES 2024

~4,000

visionary thinkers and doers
across three continents

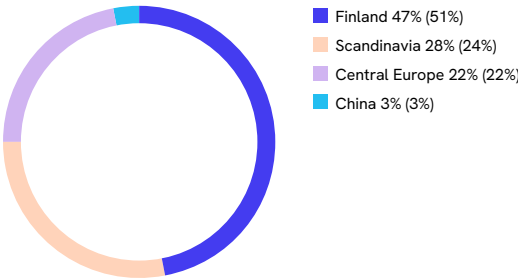
~80

offices in 8 countries

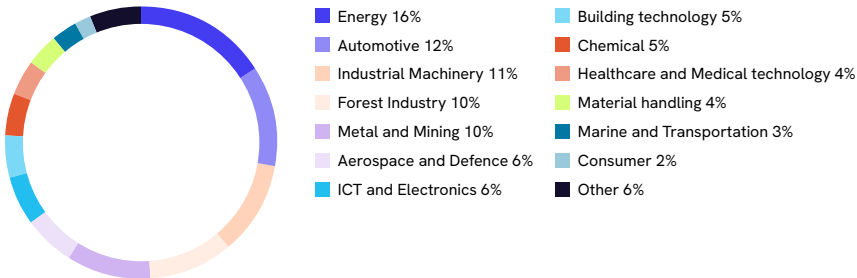
361

EUR million in revenue

REVENUE BY GEOGRAPHICAL AREA 2024 (2023)



REVENUE BY CUSTOMER SEGMENT 2024



Highlights of the year



BJIT and Etteplan's strengths complement each other

In June, we expanded our global delivery capabilities and access to new cost-efficient expertise by acquiring a minority stake in Bangladesh's largest IT consulting company, BJIT. BJIT's strengths lie in software and digitalization solutions across various IT service areas, such as product information management and product lifecycle management.

As a result of this acquisition, Etteplan has exclusive rights to offer BJIT's services in its current markets. This collaboration benefits our existing customers and opens opportunities for new customer relationships. The expertise of BJIT's 800 professionals enhances our ability to serve our customers even better.

Both companies specialize in technology services but with different focus areas. BJIT and Etteplan have complementary capabilities that will efficiently support the business of our joint customers. The acquisition fits seamlessly into our growth strategy, and we look forward to leveraging BJIT's expertise in future projects.



BRAVE Ambassadors supporting the implementation of values

The BRAVE Ambassadors are trained community facilitators who have helped bring our brand and values, launched at the beginning of 2024, to life. In value workshops, they have guided and facilitated discussions about the new values across the organization.

For the first time, we implemented an approach where employees could participate on a voluntary basis. It was inspiring to see that 91 employees from different countries and different parts of the organization wanted to join, and their active participation remained strong throughout the year.

In the value workshops, thorough discussions took place, and the values were well received. Although the concept was global, it was skillfully localized by the ambassadors.

We are proud of our value ambassadors, and it has been rewarding to witness their consistent commitment. The discussion on values continued, for example, in our FuturETTE employee survey, where a record response rate was a strong indication of our employees' commitment.

This new approach to launching and integrating values into the organization has been a significant step toward a more unified and inclusive corporate culture, and is a shining example of our value of 'Smarter together' being brought to life.

Outsourcing improving the efficiency of our customers: the case of Boliden Harjavalta

During 2024, we have achieved significant outsourcing agreements with our partners across different service areas. By collaborating with Etteplan, our customers gain access to the latest technology and expertise, allowing them to focus on their core business. Outsourcing can reduce fixed costs, improve service quality, and decrease internal workload. Additionally, it can bring flexibility and scalability, helping to adapt to the changing needs of the business.

One example is our agreement with Boliden Harjavalta. By combining our strengths, we are ready to develop the industry, promote innovations in the metal refining chains, and achieve sustainable growth by adapting to the changing needs of the business in an agile way. Together with Boliden, we have been able to extensively utilize our strengths in engineering services.

Our wide range of engineering solutions ensures transparency, cost-efficiency, and safety at all stages of the plant's lifecycle. We offer expertise and experience in improving the efficiency of plants and design operations through digitalization and in developing modern production lines.

Advancements in artificial intelligence: AI Hub and the rAlse suite of solutions

In 2024, we established the AI Hub, an internal team dedicated to driving the development, implementation, and scaling of our AI projects. The AI Hub unites individuals passionate about artificial intelligence and encourages bold thinking, in line with our values. Moving forward, the virtual organization remains committed to accelerating our AI development initiatives.

Furthermore, we introduced the Etteplan rAlse solution suite, which is based on industrial AI. This continuously expanding suite brings artificial intelligence to professional use in demanding industrial environments such as manufacturing, research and development, asset management, maintenance, production, and service business operations.

One example of our solutions is a service solution developed in collaboration with SFS, the central standardization organization in Finland, that utilizes creative AI for technical designers. Engineers often need to review hundreds of pages of guidelines and standards, which is time-consuming and challenging. The AI assistant leverages design guidelines, standards (SFS-ISO 8000+, PSK 400+), and other documents to streamline engineering tasks and problem solving, thereby resulting in higher



productivity, enhanced engineering quality, and reduced project risks.

The world of artificial intelligence is complex, but our approach is simple: we create solutions for

smarter companies ready to ascend to the next level of industrial development. Each industry has its path to AI utilization, but we believe the future is shaped by practical and flexible AI solutions that solve real problems.

CEO's review

The uncertainty of the market, challenging operating environment, and customers' slow decision-making on new investments characterized the year 2024. We managed to keep our revenue slightly growing, but profitability fell significantly short of our targets. We continued to implement our growth strategy and invested in future growth. In particular, we developed our service offering related to artificial intelligence and carried out several customer projects utilizing AI.

The challenging market situation continued throughout the year 2024. Orders received and order books from our customers were generally declining, and very few decisions on new investments were made in an extremely uncertain market situation. This led to a weakening demand situation in all quarters. The defense and energy industries were the only customer sectors that saw positive development, and we shifted our sales focus to them during the year. In Europe, especially the markets in Finland and Germany were challenging, but demand was weak elsewhere as well. The Chinese market improved positively in the second half of the year, and the demand situation

clearly improved. With the growing importance of cost competitiveness in global competition, there was also increasing demand for our offshoring and nearshoring solutions.

In the challenging market situation, our revenue declined organically, but through acquisitions, we managed to keep the revenue slightly growing. We carried out extensive adjustment measures during the year, which significantly impacted our operating profit. The effectiveness of the adjustment measures began to show in the last quarter of the year, when the profitability of all three of our service areas improved operationally compared to the previous quarters. We succeeded well in cash flow management in the challenging situation, and our operating cash flow was at a good level throughout the year. Although we had to make difficult decisions during the year, our organization was able to achieve good performance, and I want to thank all our employees for their perseverance and good work.

ACQUISITIONS REALIZED OUR GROWTH STRATEGY

Despite the difficulties in the market situation, we continued to implement our strategy during the year, developing the company's business and investing in future growth. We continued to implement our



We will transform as a company and bring added value to our customers through new technologies and AI.

growth strategy by acquiring the Danish technology service company STRONGIT ApS, which focuses on product development solutions, in January, and the Swedish consultancy specializing in testing, AFFRA AB, in May. Additionally, in June, we acquired a 19.99% minority stake in Bangladesh's largest and globally operating IT consultancy company BJIT, which will strengthen our cost competitiveness in the future.

We launched the renewed brand and values of Etteplan at the beginning of 2024. The company has evolved and changed over the years from a traditional design office to a modern technology service company. With the renewed brand, the company is being developed to reflect its current state as a leading global technology service company in its field.

OUR GLOBAL OPERATING MODEL SUPPORTED OUR COMPETITIVENESS

All three of our service areas suffered from the prevailing investment slump, and the demand situation was weak for almost the entire year. We had to make organizational restructuring and adjustment measures, which caused significant one-time items. However, we succeeded in utilizing our global service model, which improved our competitiveness, especially in the Engineering Solutions service area. Interest in our outsourcing solutions remained at a good level in the prevailing market situation as our customers sought cost savings and operational efficiency, and we carried out several outsourcing projects during the year.

In the Software and Embedded Solutions service area, we managed to win new customers outside Etteplan's operating countries, including Japan. Our global service model demonstrated its strength in a situation requiring cost competitiveness, where few product development projects were initiated.

The demand for the Technical Communication Solutions service area is significantly influenced by the number of delivery projects of our customers, which was declining. In the prevailing market situation, interest in our services that particularly increase efficiency has been at a good level as our customers seek cost savings and operational efficiency.

A NEW AI-DRIVEN STRATEGY FOR THE NEW YEAR

The goals for the previous strategy period were set in 2019, and they were updated when the strategy period was extended in 2023. We did not achieve the goals set for the strategy period due to significant changes in the operating environment that affected the implementation of the strategy.

During 2024, we worked on our strategy and published our updated strategy "Transformation with AI" and our strategic goals for the years 2025-2027 at the end of the year. Digitalization, the growing importance of artificial intelligence (AI) and data, sustainability, and the increasing need for skilled professionals are key trends that affect both Etteplan's and our customers' operations. Our strongly AI-driven, updated strategy will guide our operations for the next three years, with the key goal of creating even more value for our customers and accelerating the transformation and development of our customers' and Etteplan's business. We will transform as a company and bring new added value to our customers through new technologies and AI.

Our updated strategy guides the utilization of the opportunities brought by AI and new technologies and the development of new services, where we see significant growth potential. The importance of data as a driver of business is continuously growing, and we are introducing new service solutions for generating and managing new data, as well

as maintaining and enhancing the use of existing data. These solutions enable the efficient use of AI for product companies and process industries and support their information management and maintenance. Additionally, we seek growth through further acquisitions and by leveraging our global operating model and the competitiveness brought by nearshoring and offshoring in the growing global competition.

We are entering 2025 from a still challenging market situation, but the year started off briskly for us with the acquisition of the German company Novacon Powertrain, serving the automotive industry, in January. We also expect our customers' investments to pick up and the demand situation to improve throughout the year, and thus we anticipate a clear improvement in both revenue and operating profit compared to the previous year.

Finally, I warmly thank our customers, partners, and shareholders for their trust in the company.

Juha Näkki
CEO

Service areas

ENGINEERING SOLUTIONS

We innovate and engineer machinery, equipment and plants for our customers. Our customers expect us to develop new products, plan plant engineering projects, and deliver Engineering-to-Order projects, involving the customization of the product in accordance with end customer standards and legislation. We stand out with our technological expertise and commitment to providing continuous services and efficient processes.

In a challenging market situation, our service offerings have proven to be attractive, resulting in 55 people transferring from customers to Engineering Solutions as part of various outsourcing agreements during the year. This year, we also sold our first AI-based solutions. It has been gratifying to see how our business has grown in China, especially in the second half of the year. We have also witnessed the expansion of our operations in the defense industry, bringing us new opportunities.

Key figures

- 53% share of Etteplan's total revenue
- Revenue EUR 192.8 million
- Operating profit (EBITA) 7.0% of revenue
- Personnel 2,114

SOFTWARE AND EMBEDDED SOLUTIONS

We offer product development services as well as software and technology solutions that enable the digitalization of our customers' business processes and the intelligence and connectivity of machinery and equipment. Our customers often need to increase the efficiency of business processes or manufacturing, or to bring entirely new products to the market. By integrating systems, we can ensure better customer service, cost-efficiency, or the creation of new revenue streams through digitalization.

In 2024, the acquisitions of STRONGIT ApS and AFFRA AB strengthen our position in Denmark and Sweden, while also expanding our expertise in software and hardware development as well as testing. Despite the challenging demand situation in our home markets, we managed to win more projects outside Etteplan's operating countries. In these projects, we improved the efficiency of our customers' logistics and manufacturing processes through data and analytics solutions. Through long-term partnerships, we gained new customers and secured deals by utilizing our combined offering, providing the customer with a competitive and cost-effective comprehensive solution. We invested in a new testing laboratory in Jyväskylä, which enables the growth of our testing business by offering broader opportunities for product quality assurance and compliance verification.

Key figures

- 27% share of Etteplan's total revenue
- Revenue EUR 97.4 million
- Operating profit (EBITA) 8.1% of revenue
- Personnel 689

TECHNICAL COMMUNICATION SOLUTIONS

We produce user manuals for individual products as well as the documentation of technical attributes and information management for entire production facilities, such as factories. High-quality technical documentation can increase the value of customers' products. Our solutions can improve cost-efficiency, shorten delivery times, and reduce the environmental footprint. The significance of data as a business driver is constantly growing, and thus the name of our service area was changed to Technical Communication and Data Solutions in the beginning of 2025.

The strength of our Technical Communication and Data Solutions lies in our comprehensive service offerings, which enhance the entire value chain of the customer – from initial research and product development to after-sales activities.

In the current market situation, there is significant interest in solutions that increase efficiency. Artificial intelligence plays a crucial role in this service area and is a key part of new contracts and services. The new regional organization implemented in Germany has laid a solid foundation for positive development in 2024. In Sweden, the AIM business has achieved excellent results, with order intake reaching an all-time high. The proportion of managed services in our business remains high, at around 90%, which has helped us navigate through fluctuating market conditions.

Key figures

- 20% share of Etteplan's total revenue
- Revenue EUR 70.5 million
- Operating profit 6.1% of revenue
- Personnel 841

Operating environment

To solve complex challenges and move toward a sustainable future, our operating environment requires a cooperative and unified approach. Etteplanians see challenges as opportunities for innovation and bold thinking, aiming to transform them into exceptional solutions and a competitive advantage for our customers.

In 2024, our operating environment has been influenced by geopolitical tensions in the extended conflict in the Middle East and in Ukraine, where Russia's invasion continued. Additionally, declining order backlogs of technology industry customers have created uncertainty in the markets and made it difficult to predict future developments.

Many of our clients are manufacturing industry companies, and our business is influenced by global megatrends in their operating environments: structural changes in the global economy, urbanization, climate change, the green transition, and sustainable development. The development of prevailing megatrends and the uncertain global



The integration of AI into various applications and services is accelerating, emphasizing the importance of high-quality data.

situation impact both industrial sectors and national economies, not to mention the everyday lives of individuals.

Investments related to the defense industry have continued at a good level, while investments related to the energy industry have been at a moderate level. However, investments related to accelerating the green transition have slowed slightly. Sustainability expectations, climate change, and tightened regulations, for example at the EU level, ensure that companies must continuously develop their businesses to be more responsible and commit to reducing their carbon footprints.

As a technology service company, industrial megatrends affect us and our clients, along with key trends in the engineering industry, such as digitalization, sustainability, the growing importance of artificial intelligence and data, and the increasing

need for highly competent employees. The integration of AI into various applications and services is accelerating, emphasizing the importance of high-quality data.

The digital age and the industrial internet foster innovation and reduce the impact of geographical boundaries. The demand for technology and engineering work is growing as industries tackle energy consumption and material flow issues. Automation and robotics improve product quality, reduce the strain of labor, enhance safety, and cut costs, while interconnected devices make production processes smarter.

The trend of centralizing service purchasing continues as customer demand becomes increasingly international, presenting growth opportunities for global engineering companies. The ongoing trend of outsourcing services positively

impacts the industry's development and supports Etteplan's growth strategy. Although competition for employees has decreased in the current market situation, there is still fierce competition for specialized experts in certain areas.

The decisions our employees make in their daily work are reflected across all industrial sectors, which need to be smarter, more energy-efficient, and use limited resources wisely and sustainably.

Etteplan's employees can address these needs and customers' challenges with their expertise and bold thinking. In constant change, it is crucial to maintain readiness for innovation and flexibility, as they lead to exceptional solutions. Etteplanians strive to provide customers with competitive, AI-utilizing solutions that leverage new technology. Together with our customers, we can achieve the best possible outcomes.



Our strategy's strong foundation and future direction

During our strategy period ending in 2024, our goal has been to create more value for our customers and support them in sustainable development, digitalization, and industrial transformation.

Digitalization, the continuously accelerating technological development, and the growing need for experts are key industry trends that substantially impact Etteplan and its customers. Sustainability is and will be a central part of both Etteplan's and our customers' business. We have incorporated sustainability into our strategy, brand, and values to promote positive change. Our renewed brand was launched at the beginning of 2024, reflecting the

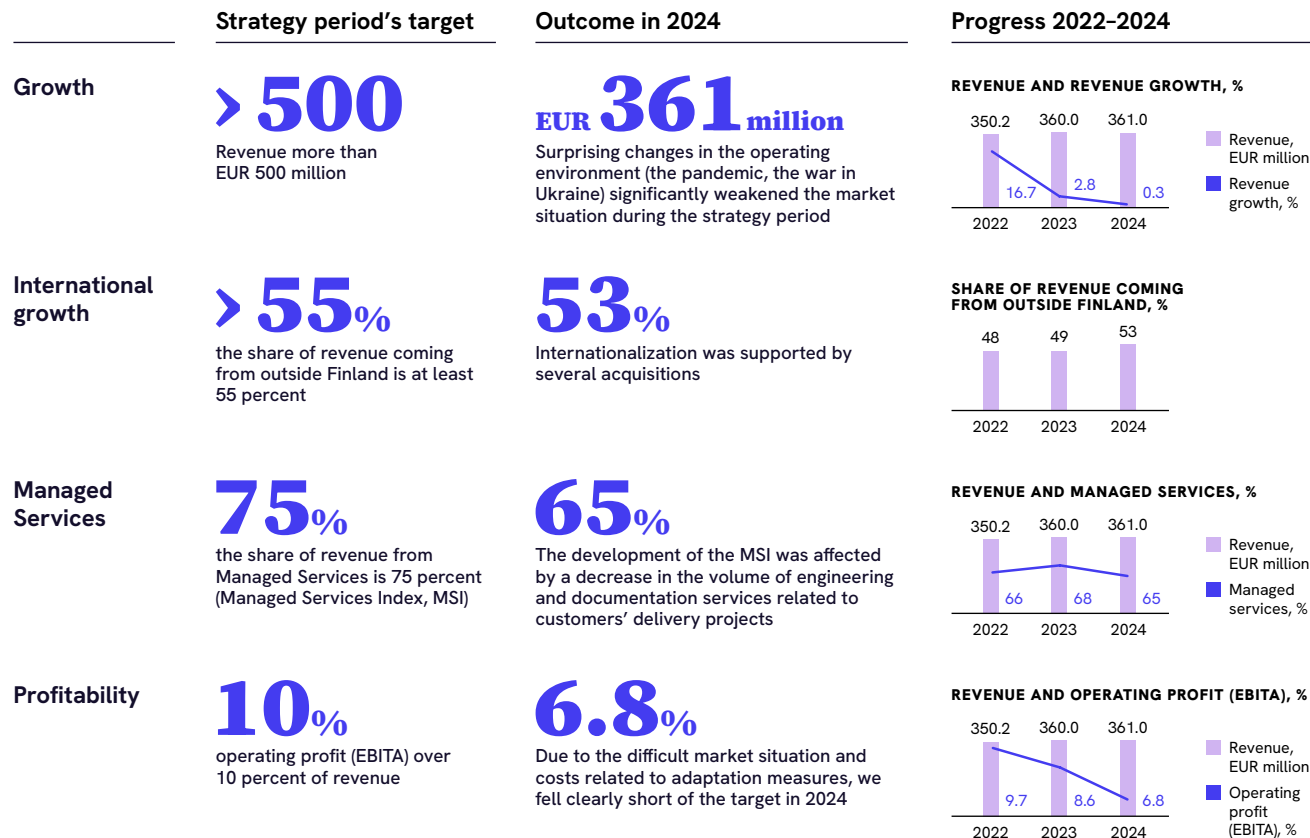
company's position as a leading global technology service company.

At the core of our concluding strategy period has been a commitment to increasing customer value, and we have acted as a partner to our customers in navigating change. Our strategy's three core elements have been *Customer value*, *Service solutions*, and *Success with people*.

We are an international growth company, and our organic growth is based on the core elements of our strategy, our broad service offering and expertise, as well as our strong market position. Through acquisitions, we aim to grow our knowledge base and increase our presence and service offering. In 2024, we implemented our growth strategy by acquiring the Swedish consulting company AFFRA AB, specialized in testing, and the Danish product development-focused STRONGIT ApS. Additionally, we acquired a 19.99% minority stake in BJIT, the largest IT consulting company in Bangladesh.

The utilization of artificial intelligence has accelerated, and in 2024, our development program to integrate AI into our business processes has made significant progress, and we have launched the rAlse AI solution suite for demanding industrial environments. This makes us a pioneer in our field and helps our customers achieve the next level of industrial development.

FINANCIAL TARGETS AND OUTCOMES FOR 2023-2024:



Our strategy focuses on utilizing AI and technologies and developing new service solutions with growth potential.

ETTEPLAN'S NEW STRATEGY: VALUE FOR CUSTOMERS AND GROWTH THROUGH TECHNOLOGY

Our old strategy laid a strong foundation on which we can build the future. The current market around us is changing, and particularly the significance of artificial intelligence is growing significantly. Therefore, we have integrated the use of AI as a central part of our new strategy.

The strategy, effective from the beginning of 2025, aims to provide even more value to our customers by leveraging AI and new technologies. Additionally, we want to strengthen our partnerships and attract top talent that will help us achieve our goals.

Our new strategy, named *"Transformation with AI,"* focuses on three cornerstones: *Trusted Partner*, *AI and Technology-Empowered Service Solutions*, and *Success with People*.

Trusted Partner cornerstone's goal is to further increase the value gained by the customer as technology and AI develop. An even deeper partnership with our customers and an understanding of our customers' business create the conditions for us to utilize new technologies and AI in our customer relations to boost their sustainable growth and productivity. A local presence close to our customers helps us to deeply understand what our customers really need and ensure that we offer an excellent customer experience.

AI and Technology-Empowered Service Solutions

cornerstone's goal is to develop service solutions that utilize the new added value generated by AI and new technologies, especially for industrial product companies and asset companies. AI and technologies, efficient processes, versatile know-how and world-class engineering methods are integrated into the service solutions. We develop services related to data management and data maintenance that enable the efficient use of AI.

The goal of our **Success with People** cornerstone is to maintain, develop and attract top talents, with whom we will succeed in the implementation of the strategy together with our customers and partners. Our success is based on committed employees who have strong industry expertise and a passion for learning. We want to be an attractive employer for experts interested in AI and technologies.

Our strategy focuses on utilizing AI and technologies and developing new services with growth potential. The importance of data in business management is constantly increasing, and we bring new service solutions for data creation, management, maintenance, and enhanced utilization. The importance of this change is also reflected in the renaming of our Technical Communication Solutions service area as Technical Communication and Data Solutions.

Etteplan's financial and strategic targets from January 1, 2025:

- **Utilization of AI:** The share of revenue derived from AI-driven service solutions developed by Etteplan will be 35 percent by the end of 2027
- **Managed Services:** 75 percent of revenue from managed services (Managed Services Index, MSI) by the end of 2027
- **Growth:** Revenue over EUR 500 million in 2027
- **Profitability:** Operating profit (EBITA) over 10 percent of revenue

Sustainability highlights

In 2024, Etteplan conducted a materiality analysis to update its Sustainability Agenda, which includes material ESG topics, metrics, and targets, as well as to determine the material ESRS topics for CSRD reporting. The process incorporated input from both internal and external stakeholders. As a result, we developed a comprehensive set of core sustainability metrics for environmental targets, social responsibility, and governance, which formed our Sustainability Agenda.

[Read more](#) about Etteplan's ESG practices on the Sustainability Statement.

2024 CARBON FOOTPRINT AND CLIMATE TRANSITION HIGHLIGHTS

The Etteplan **Carbon Footprint 2024 report** underscores our commitment to sustainability. In 2024, our total carbon footprint amounted to 15,697 tonnes of CO₂-equivalent, calculated in line with the Greenhouse Gas Protocol standard. This assessment covers operations in Finland, Sweden, Poland, Germany, and the Netherlands, addressing emissions from direct operations (Scopes 1 and 2) and our value chain (Scope 3). A significant share of emissions stemmed from purchased services,

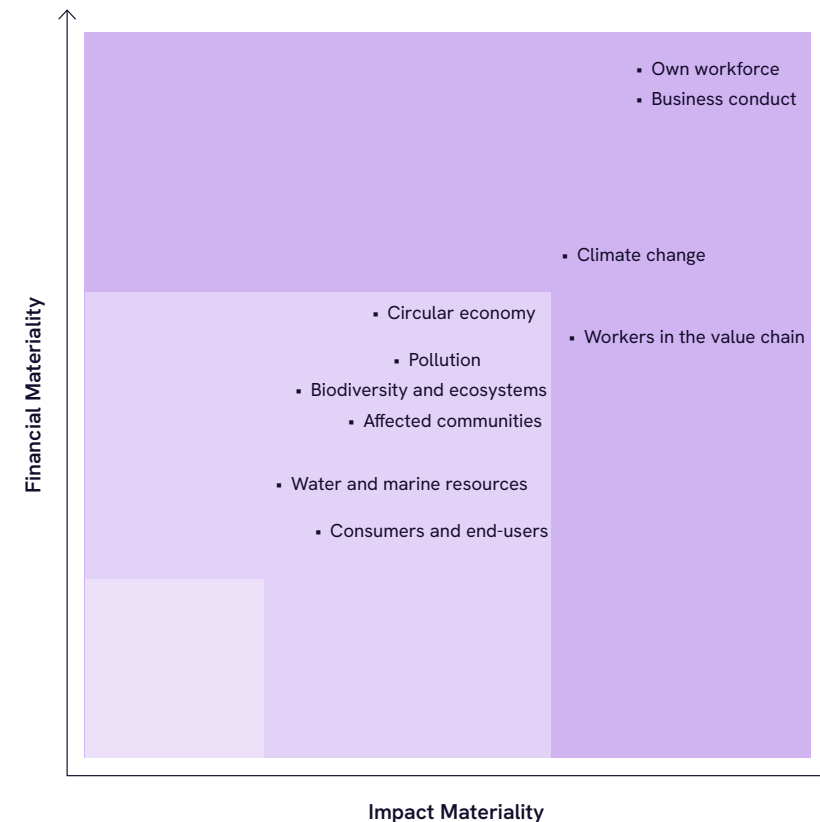
with notable contributions from commuting, business mileage claims, and the use of sold products.

Etteplan is dedicated to reducing its environmental impact through proactive measures, enhanced data collection, expanded global scope, and emissions-reduction initiatives. These efforts solidify our leadership in sustainability and reaffirm our commitment to creating a positive environmental impact.

Our **Climate Transition Plan 2024** outlines a clear path toward climate neutrality, aligned with the EU's Corporate Sustainability Reporting Directive (CSRD). It focuses on reducing GHG emissions in Finland and Sweden, with plans to extend globally. We aim to cut Scope 1-3 emissions by 42% by 2030 (baseline: 2022), in alignment with the Paris Agreement's 1.5°C goal.

Key actions include adopting low-emission vehicles, utilizing certified green energy, optimizing building technologies, promoting low-carbon procurement, and encouraging sustainable commuting and travel. Fully integrated into our business strategy and financial planning, this plan strengthens our commitment to sustainable innovation.

Double Materiality



Sustainability agenda

ESG Factor	Theme	Target	Metric
E	Climate change	Emissions reduction %, scope 1 and 2 - 42% for 2030	Carbon footprint, scope 1 and 2
E	Environmental impacts of products and services	Increase taxonomy eligibility of projects	Percentage of taxonomy-eligible projects
S	Equal treatment and opportunities for all	Gender pay equality	Compensation equality between genders
S	Own workforce	A score of 4 out of 5 or above	Etteplan Equity and Inclusion Index in FuturETTE survey (internal personnel survey)
S	Diversity of work community	Increase the number of women in the company	Percentage of women in Etteplan compared to women Science and Technology graduates in Etteplan countries. Weighted average in proportion to the size of Etteplan in the countries*
G	Company culture	Increase the understanding of Business Ethics by requiring 100% implementation of the Code of Conduct	Percentage of people trained to Code of Conduct
G	Anti-corruption and bribery	Zero corruption and bribery cases reported	Number of cases related to anti-corruption and bribery

* Source: World Bank, Science, Technology, Engineering and Mathematics (STEM), data from 2016-17

Environmental

Environmental targets 2024	Country	Measures taken and results achieved 2024
Increase environmental awareness and include sustainability thinking to engineering work	All	In 2024, Etteplan expanded its carbon footprint calculations (Scope 1, 2, 3) to include operations in Finland, Sweden, Germany, Poland, and Denmark. Environmental topics were integrated into the company's Sustainability eLearning program, emphasizing the importance of sustainable development as a key part of its strategy. Internal audit dealt with the environmental aspects of customer assignments.
Decrease electricity consumption at offices	All	We monitor the electricity consumption at Etteplan's 10 largest offices. Electricity consumption increased by 5% compared to the previous year, partly due to changes in office spaces and increased business activities.
Increase the share of electricity from renewable energy sources used in offices	All	The share of renewable electricity decreased from 76% to 57%, mainly due to a reduced share of renewable electricity in some of our largest offices. Several Etteplan offices already operate with 100% renewable electricity. We try to influence landlord's electricity procurement decisions.

Etteplan remains devoted to building a more sustainable future for our planet and communities. Together, through action and innovation, we are working toward achieving our climate goals and contributing to a better world.

ETTEPLAN'S ENVIRONMENTAL TARGETS AND RESULTS 2024

Etteplan continues to strengthen its environmental responsibility efforts in line with the ISO 14001 standard. In 2024, we expanded our carbon footprint calculations (Scope 1, 2, 3) to include operations across Finland, Sweden, Germany, Poland, and the Netherlands. Environmental topics were integrated into our sustainability eLearning program, reinforcing sustainable development as a core element of our strategy. Internal audits ensured that environmental aspects were considered in customer projects, helping identify cases with environmental impacts.

We closely monitor electricity consumption across Etteplan's 10 largest offices. In 2024, electricity consumption increased by 5% compared to the previous year, partly due to expanded office space. Additionally, the share of renewable electricity decreased from 76% to 57%, primarily due to a reduced renewable share in some of our largest offices. Despite this, several offices already operate with 100% renewable electricity, and we continue to advocate for landlords to prioritize renewable energy in their procurement decisions.

EQUAL TREATMENT AND OPPORTUNITIES FOR ALL

Based on our Double Materiality Assessment from 2023-2024, we identified “equal treatment and opportunities for all” as a key focus area in our Sustainability Agenda. We are committed to fostering diversity and to treating all employees equally and promoting non-discriminatory practices throughout the entire employment lifecycle, from recruitment to the end of the employment relationship.

Diversity, equity, and inclusion (DEI) are key components of our corporate culture and success. Happy DEIs is our internal community-led initiative devoted to creating awareness and understanding of DEI-related topics on a global level at Etteplan. By encouraging open discussion, networking, and learning, we create and maintain a workplace where everyone feels seen, heard, and valued. One of

the most valuable contributions from the Happy DEIs community in 2024 was the development of an eLearning course on diversity, equity, and inclusion. This course has been incorporated into the onboarding materials for all new Etteplan employees.

GENDER PAY GAP AND AGE DISTRIBUTION

Our diversity initiatives include the monitoring and tracking of the gender pay gap, which we have started to report publicly starting with the year 2024. The gender pay gap at Etteplan for the year 2024 was 14%, with female employees making 86% of what their male counterparts make. There is still work to be done in this regard as we continue striving to close the gender pay gap, and this topic has been identified as a key focus area in our Sustainability Agenda.

Certifications of Etteplan offices, ISO 9001 and ISO 14001

Country	Number of offices 2024	Certified Offices 2024	Number of offices 2023	Certified Offices 2023
Finland	26	26	25	25
Sweden	20	12	21	13
Poland	4	2	4	2
Germany	14	13*	14	14*
The Netherlands	5	1*	6	0
China	10	0	10	0
Denmark	2	0	4	0

* Germany and the Netherlands are ISO 9001 certified.



By encouraging open discussion, networking, and learning, we create and maintain a workplace where everyone feels seen, heard, and valued.

EQUITY & INCLUSION INDEX BY COUNTRY



The salary discrepancy calculations did not take into account the impact of education, job levels, or job demands. In addition, there are very few women in leadership positions within the technology sector. Within Etteplan's Sustainability Agenda, one of the targets is compensation equality between genders.

16% of Etteplan's employees are under 30 years old, 56% are between 30 and 50 years old, and 28% are over 50 years old. This age distribution is typical in our industry.

EQUITY & INCLUSION INDEX AND VALUE-BASED LEADERSHIP

In 2024, we placed a strong emphasis on embracing our renewed values: Forward focus, Bold thinking,

and Smarter together, while also enhancing our leadership. We committed to value-based leadership and, during the first half of the year, trained nearly 400 Etteplan leaders and key personnel on how to integrate these values into everyday activities going forward.

We have also improved our annual employee engagement survey, FuturETTE, by including an Equity & Inclusion Index (E&I Index) within the questionnaire, allowing us to continually measure and improve equity and inclusion at Etteplan, and thereby also support employee well-being. The questions included in the E&I Index were phrased as statements for respondents to indicate their level of agreement with (on a scale of 1 to 5). The statements were as follows:

1. In my work community, problems with the work environment are dealt with appropriately.
2. My Etteplan supervisor leads in a fair and equal way.
3. I can express my opinion openly in my work community.
4. I receive support and help from my colleagues when needed.
5. All employees are being treated in a fair and equal way in my work community.

In 2024, with an overall average score of 4.35 (out of 5) on our E&I Index, we comfortably exceeded the target level (4.0) in all countries and service areas.



Board of Directors' Review

Board of Directors' Review

January 1 – December 31, 2024

OPERATING ENVIRONMENT

The majority of Etteplan's customers are industrial companies with several global megatrends influencing the development of their operating environment. For example, structural changes in the global economy, urbanization, climate change and sustainability are all influencing companies, national economies and people's lives. In addition to these megatrends, the engineering industry is influenced primarily by three trends: digitalization, accelerating technological development and the growing need for highly competent employees. In particular, the application of artificial intelligence in various applications is accelerating. These trends are creating a need for intelligent and energy-efficient solutions in all industrial sectors.

The trend of centralizing service purchasing continues as customer demand becomes increasingly international, presenting growth opportunities for global engineering companies. The continued trend of service outsourcing has a positive effect on the industry's development and it supports Etteplan's growth. The competition for employees has eased in the prevailing market situation, but there is continued competition for specialized experts in certain areas.

DEVELOPMENT OF DEMAND BY CUSTOMER INDUSTRY

Geopolitical tensions affect demand in all customer industries. Demand in the Defense industry was at a good level, and demand in the Energy industry was at a moderate level. Demand in the Forest industry and demand in the Metal and Mining industry were at a weak level. Demand in the ICT and Electronics industry remained at a weak level. Demand in the Automotive industry was at a moderate level. Demand in the Chemical industry remained at a weak level.

DEVELOPMENT OF DEMAND IN ETTEPLAN'S OPERATING COUNTRIES

The uncertainty caused by geopolitical tensions has affected demand in all of our operating countries in Europe. Our customers' order backlogs are generally on a downward trend, which affects their willingness

to invest and keeps our demand situation at a modest level at the start of 2025. The demand situation is particularly challenging in Finland and Germany. Geopolitical tensions have also increased uncertainty in China, as a result of which Western investments are at a low level. However, China's internal market is still developing positively with regard to engineering services. This development is influenced by the strengthening of the trend of companies purchasing services instead of hiring employees of their own.

KEY FIGURES

EUR 1,000	2024	2023	2022
Revenue	361,020	359,951	350,170
Change in revenue, %	0.3	2.8	16.7
Operating profit (EBITA)	24,373	30,883	33,915
% of revenue	6.8	8.6	9.7
Operating profit (EBIT)	18,410	25,540	28,622
% of revenue	5.1	7.1	8.2
Profit before taxes	13,594	20,805	22,386
% of revenue	3.8	5.8	6.4
Profit for the financial year	10,396	16,647	18,151
Return on equity, %	9.0	15.1	17.7
ROCE, %	9.4	13.3	15.9
Equity ratio, %	40.5	40.9	38.2
Gross investments	29,216	21,077	40,940
% of revenue	8.1	5.9	11.7
Net gearing, %	60.0	55.3	66.8
Personnel, average	3,859	3,949	3,936
Personnel at year end	3,803	3,902	3,929
Employee benefits expenses	233,129	233,736	227,823

REVENUE

The weakening of demand due to market uncertainty, the challenges in the operating environment and customers' slow decision-making affected the accrual of revenue throughout the year. Revenue was increased by the acquisitions made during the year.

Etteplan's revenue increased by 0.3 percent and was EUR 361.0 million (1–12/2023: EUR 360.0 million). 0.1 percent at comparable exchange rates. Organic revenue decreased by 4.7 percent. At comparable exchange rates, organic revenue decreased by 4.9 percent. Revenue from key accounts decreased by 8.5 percent.

Etteplan's business is subject to periodic fluctuation due to the number of working days, holiday seasons and the timing of product development and investment projects in customer companies, which mainly take place in the spring and the latter part of the year.

The revenue of acquired companies is not included in organic revenue growth for 12 months following their acquisition. LAE Engineering GmbH is included in Etteplan's figures starting from July 1, 2023, High Vision Engineering Sweden AB starting from September 1, 2023, Strongit ApS from January 1, 2024, and AFFRA AB from June 1, 2024.

RESULT

The full-year result was negatively affected by the weakening of demand due to market uncertainty, the challenges in the operating environment and the customers' slow decision-making, as well as significant non-recurring items.

Operating profit (EBITA) decreased by 21.1 percent and was EUR 24.4 (30.9) million, or 6.8 (8.6) percent of revenue. Operating profit (EBIT) decreased by 27.9 percent and was EUR 18.4 (25.5) million, or 5.1 (7.1) percent of revenue. The combined effect of non-recurring items on operating profit (EBITA) and operating profit (EBIT) was EUR -3.0 (-1.7) million. Without the non-recurring items, the operating profit (EBITA) would have been 7.6 percent. The non-recurring items consisted mainly of expenses related to organizational restructuring and adaptation measures, costs related to the termination of the Building Technology business in Germany, and project write-downs.

The net amount of financial income and financial expenses came to EUR -4.8 (-4.7).

Profit before taxes was EUR 13.6 (20.8) million. Taxes in the income statement amounted to 23.5 (20.0) percent of the result before taxes. The amount of taxes was EUR 3.2 (4.2) million.

The profit for was EUR 10.4 (16.6) million. Earnings per share were EUR 0.41 (0.66). Equity per share was EUR 4.67 (4.55) at the end of December. Return on capital employed (ROCE) before taxes was 9.4 (13.3) percent.

CASH FLOW AND FINANCIAL POSITION

Operating cash flow improved and was EUR 31.0 (35.6) million. Cash flow after investments was EUR 9.0 (28.7) million. Operating cash flow accrues unevenly over the four quarters of the year due to periodic fluctuation in business.

The Group's cash and cash equivalents stood at EUR 25.2 (23.4) million at the end of December.

The Group's interest-bearing liabilities amounted to EUR 95.9 (86.6) million at the end of December. The amount of interest-bearing liabilities was affected by acquisitions made by the Group. Lease liabilities represented EUR 19.2 (21.4) million of interest-bearing liabilities.

The total of unused short-term credit facilities stood at EUR 16.1 (14.1) million.

Total assets on December 31, 2024, were EUR 297.8 (284.6) million. Goodwill on the balance sheet was EUR 117.4 (109.7) million.

At the end of December, the equity ratio was 40.5 (40.9) percent.

CAPITAL EXPENDITURE

The Group's gross investments were EUR 29.2 (21.1) million. The gross investments mainly consisted of acquisitions, the acquisition of a minority stake in BJIT, increases in lease liabilities and equipment purchases.

PERSONNEL

The number of personnel stood at 3,803 (3,902) employees at the end of December 2024. The number of personnel decreased by 2.5 percent when compared to the end of 2023. Due to the unpredictable market

situation, we have slowed down recruitment and implemented temporary layoffs during the review period. A total of 178 employees in Finland were temporarily laid off at the end of December 2024.

The Group employed 3,859 (3,949) people on average in 2024.

The number of people employed by the Group outside of Finland stood at 1,921 (1,965) at the end of December, representing 51 (50) percent of the total number of employees.

BUSINESS REVIEW

The challenging market situation continued throughout 2024. The demand situation weakened further in the fourth quarter, resulting in a full-year decrease of 8.5 percent in revenue from key accounts. During the year, we shifted the focus of sales particularly to the defense industry and the energy industry, where the demand situation has been better than in other industries. In Europe, we had to implement adaptation measures to improve operational efficiency in almost all of our operating countries. In China, the market situation developed favorably in the second half of the year. Going forward, we will focus even more heavily on serving the internal market in China. The number of hours sold in the Chinese market increased by 10.9 percent. As the significance of cost competitiveness increases in global competition, there was also growing demand for our offshoring and nearshoring solutions, and we won several offshoring and nearshoring projects during the year.

In spite of the challenging market situation, we continued the implementation of our strategy and investments to develop our business. In particular, we developed our service offering in relation to artificial intelligence, and implemented several customer projects that make use of AI for customers including Valmet and SFS. The market around us is changing, and the significance of AI, in particular, continues to grow strongly. With this in mind, utilizing AI plays a very central role in the new strategy period that started at the beginning of 2025. We also continued to implement our growth strategy by acquiring Strongit ApS, a Danish technology service company that focuses on product development solutions, and AFFRA AB, a Swedish consulting company specializing in testing. Strongit ApS was acquired in January, and AFFRA AB was acquired in May. In addition, in June, we acquired a minority stake of 19.99% in BJIT, a globally operating IT consulting enterprise that is the largest in its industry in Bangladesh, which will strengthen our cost competitiveness in the future.

We published Etteplan's renewed brand and values at the beginning of 2024. The company has developed and changed over the years from a traditional engineering company to a modern technology service company. With the renewed brand, the company is being developed to reflect its current status as a leading global technology service company in its field.

The objective of our strategy period Increasing value for customers, which concluded at the end of 2024, was to create even higher value for customers and support them in sustainable development, digitalization and the industrial transformation.

Our previous strategy has proven its effectiveness and our targets have steered us in the right direction. In creating our new strategy, we have further developed our previous strategy and, in connection with the update, kept elements of the strategy that have proven to be good for us.

Financial targets and outcomes for 2023-2024:

- Growth: revenue more than EUR 500 million
 - Outcome in 2024: EUR 361 million
 - Surprising changes in the operating environment (the pandemic, the war in Ukraine) significantly weakened the market situation during the strategy period
- International growth: the share of revenue coming from outside Finland is at least 55 percent
 - Outcome in 2024: 53 percent
 - Internationalization was supported by several acquisitions
- Managed Services: the share of revenue from Managed Services is 75 percent (Managed Services Index, MSI)
 - Outcome in 2024: 65 percent
 - The development of the MSI was affected by a decrease in the volume of engineering and documentation services related to customers' delivery projects
- Profitability: operating profit (EBITA) over 10 percent of revenue
 - Outcome in 2024: 6.8 percent
 - Due to the difficult market situation and costs related to adaptation measures, we fell clearly short of the target in 2024

Etteplan's new strategy period began on January 1, 2025

In December 2024, Etteplan's Board of Directors approved the company's renewed strategy and updated financial targets for the years 2025–2027. The strategy and targets came into effect on January 1, 2025. Digitalization, the growing importance of artificial intelligence (AI) and data, sustainability and the growing need for experts are key trends that affect the operations of both Etteplan and its customers. The main goal of the strategy update is to generate even more value for our customers and accelerate the transformation and development of customers' and Etteplan's business.

The strategy period 2025–2027 is called "Transformation with AI" and its three cornerstones are *Trusted Partner*, *AI and Technology-Empowered Service Solutions* and *Success with People*. Etteplan's AI-powered service solutions are at the core of the updated strategy, and the company's target is to increase the share of revenue derived from AI-driven service solutions developed by Etteplan to 35 percent by the end of 2027. AI and technologies, efficient processes, versatile know-how and world-class engineering methods are integrated into the service solutions. Based on a deep understanding of our customers' needs, we offer scalable solutions that bring people and technology together and create tangible business value for our customers. We develop services related to data management and data maintenance that enable the efficient use of AI. At the end of 2024, AI-driven service solutions developed by Etteplan represented 2 percent of total revenue.

We seek growth both organically and through acquisitions. The sources of organic growth include new service solutions that utilize AI and technologies that produce new added value for our customers. Current service solutions are also enhanced with the help of AI. We develop new data-related service solutions that enable the efficient use of AI for industrial product companies and companies in process industries, and support their data management and maintenance. The third source of organic growth is our global delivery model and the utilization of nearshoring and offshoring to ensure competitiveness in the growing global competition.

Inorganic growth is created through acquisitions. Our goal is to offer services from all three of our service areas in all of our operating countries. We aim to grow in our current operating countries through acquisitions that strengthen our expertise, expand our service offering and improve our market position in selected markets and/or customer segments.

Etteplan's financial and strategic targets from January 1, 2025:

- Utilization of AI: The share of revenue derived from AI-driven service solutions developed by Etteplan will be 35 percent by the end of 2027
- Managed Services: 75 percent of revenue from managed services (Managed Services Index, MSI) by the end of 2027
- Growth: revenue over EUR 500 million in 2027
- Profitability: Operating profit (EBITA) over 10 percent of revenue

ACQUISITIONS

On May 27, 2024, Etteplan acquired AFFRA AB, a Swedish consulting company specializing in testing. Based in Gothenburg, AFFRA is a consulting company that specializes in software testing and, in particular, Hardware in the Loop (HIL) testing for the automotive and transport industry. All 23 of AFFRA's professionals in testing, software development and embedded solutions were immediately transferred to Etteplan.

On January 8, 2024, Etteplan acquired Strongit ApS, a Danish technology service company that focuses on product development solutions. Strongit delivers its services with a team of 13 highly qualified engineering professionals and a network of around 70 freelancers in Copenhagen, Århus, and Gråsten in Denmark.

Acquisitions in 2023:

- In September 2023, Etteplan acquired High Vision Engineering Sweden AB, a company that provides engineering services across various phases of product development for the automotive and manufacturing industry in western Sweden. As a result of the acquisition, 40 High Vision Engineering employees transferred to Etteplan.
- In July 2023, Etteplan acquired LAE Engineering GmbH, a German engineering company with approximately 70 employees that offers specialized expertise across electrical engineering planning, power generation, building and industrial automation, as well as information management systems, and industrial IT. LAE Engineering is now part of our Engineering Solutions service area.

GOVERNANCE

General meeting

The Annual General Meeting of Etteplan Oyj was held on April 9, 2024. The Annual General Meeting approved the financial statements and discharged the members of the Board of Directors and the President and CEO from liability for the financial year 2023.

The Annual General Meeting resolved, in accordance with the proposal of the Board of Directors, to pay a dividend of EUR 0.30 per share for the financial year 2023 and to leave the remaining funds in unrestricted equity. The dividend decided on by the Annual General Meeting was paid to the shareholders registered on the record date in the shareholders' register maintained by Euroclear Finland Ltd. The record date of the payment of dividend was April 11, 2024, and the dividend was paid on April 18, 2024.

In accordance with the proposal of the Nomination and Remuneration Committee of the Board of Directors, the Annual General Meeting resolved that the Board of Directors shall consist of six (6) members. In accordance with the proposal of the Nomination and Remuneration Committee of the Board of Directors, the Annual General Meeting resolved on the annual remuneration of the members of the Board of Directors, the Chairman of the Board and the chairmen and members of the Nomination and Remuneration Committee and the Audit Committee.

In accordance with the proposal of the Nomination and Remuneration Committee of the Board of Directors, the Annual General Meeting re-elected Matti Huttunen, Robert Ingman, Päivi Lindqvist, Tomi Ristimäki, Sonja Sarasvuo and Mikko Tepponen as members of the Board of Directors. KPMG Oy Ab, Authorized Public Accountants, with Authorized Public Accountant Kim Järvi as the main responsible auditor, was elected as the company's auditor.

In its organization meeting subsequent to the Annual General Meeting, the Board of Directors of Etteplan Oyj elected Robert Ingman as Chairman of the Board of Directors. Matti Huttunen was elected the Chairman and Robert Ingman and Mikko Tepponen as members of the Nomination and Remuneration Committee of Etteplan Oyj. Päivi Lindqvist was elected the Chairman and Tomi Ristimäki and Sonja Sarasvuo as members of the Audit Committee of Etteplan Oyj.

Board authorizations

The Annual General Meeting held on April 9, 2024, authorized the Board of Directors to resolve on the repurchase of the company's own shares in one or more tranches using the company's unrestricted equity. A maximum of 2,000,000 shares in the company may be repurchased. The company may deviate from the obligation to repurchase shares in proportion to the shareholders' current holdings, i.e. the Board has the right to decide on a directed repurchase of the company's own shares.

The authorization includes the right for the Board to resolve on the repurchase of the company's own shares through a tender offer made to all shareholders on equal terms and conditions and at the price determined by the Board, or in public trading organized by the Nasdaq Helsinki Ltd at the market price valid at any given time, so that the company's total holding of own shares does not exceed ten (10) percent of all the shares in the company. The minimum price for the shares to be repurchased is the lowest market price quoted for the shares in the company in public trading and, correspondingly, the maximum price is the highest market price quoted for the shares in the company in public trading during the validity of the authorization.

Should the shares in the company be repurchased in public trading, such shares will not be purchased in proportion to the shareholders' current holdings. In that case, there must be a weighty financial reason for the company to repurchase its own shares. The shares may be repurchased in order to be used as consideration in potential acquisitions or in other structural arrangements. The shares may also be used for carrying out the company's incentive schemes for its personnel. The repurchased shares may be retained by the company, invalidated or transferred further. The repurchase of the company's own shares will reduce the non-restricted equity of the company.

The authorization is valid for eighteen (18) months from the date of the resolution of the Annual General Meeting starting on April 9, 2024, and ending on October 8, 2025. The authorization replaces the corresponding previous authorization.

The Annual General Meeting held on April 9, 2024, authorized the Board of Directors to resolve on the issuance of a maximum of 2,500,000 shares through issuance of shares, option rights or other special rights entitling to shares under Chapter 10, Section 1 of the Finnish Companies Act in one or more issues. The authorization includes the right to decide to issue either new shares or shares held by the company.

The authorization includes the right to deviate from the existing shareholders' pre-emptive subscription right as set forth in Chapter 9, Article 3 of the Companies Act. Therefore, the Board of Directors has the right to direct the share

issue, or issuance of the option rights or other special rights conferring entitlement to shares. The authorization also includes the right to decide on all the terms of share issue, option rights or other special rights conferring entitlement to shares. The authorization therefore includes the right to determine share subscription prices, persons entitled to subscribe the shares and other terms and conditions applicable to the subscription. In order to deviate from the shareholders' pre-emptive subscription right, the company must have a weighty financial reason such as financing a company acquisition, other arrangement in connection with the development of the company's business or equity or an incentive scheme for the personnel. In connection with the share issuance, the Board of Directors is entitled to decide that the shares may be subscribed against contribution in kind or otherwise under special terms and conditions. The authorization includes the right to determine whether the subscription price will be entered into the share capital or into the unrestricted equity fund. The authorization is valid for eighteen (18) months from the date of the resolution of the Annual General Meeting starting on April 9, 2024, and ending on October 8, 2025. The authorization replaces the corresponding previous authorization.

SHARES

Etteplan's shares are listed in Nasdaq Helsinki Ltd's Mid Cap market capitalization group in the Industrials sector under the ETTE ticker. The company has one series of shares. All shares confer an equal right to a dividend and the company's funds. The company's share capital on December 31, 2024, was EUR 5,000,000.00 and the total number of shares was 25,350,793.

On January 8, 2024, Etteplan issued a stock exchange release announcing the acquisition of Strongit ApS. As part of the financing of the transaction, Etteplan Oyj's Board of Directors, in its meeting held on January 8, 2024, made a conditional decision on a share issue based on the share issue authorization given to the Board of Directors by the Annual General Meeting on April 5, 2023. In accordance with the terms of the transaction, the purchase price was paid through a share issue to the sellers and cash. The contract of sale, which was a condition of the decision, was on January 8, 2024, and at the same time the sellers subscribed for 150,000 new Etteplan shares as a part payment for the purchase amount. The subscription price per share paid for the shares was EUR 14.048. The new shares carry the right to dividends starting from the financial year 2024.

The new shares subscribed for in the directed share issue were registered in the Trade Register on April 26, 2024, and in the book-entry system maintained by Euroclear Finland Oy on May 10, 2024. The shares were listed for trading on Nasdaq Helsinki on May 10, 2024. The total number of Etteplan shares after the issue is 25,350,793. However, trading in the new shares will only be possible after three years, when the transfer restriction agreed upon in connection with the transaction has expired.

The number of Etteplan Oyj shares traded in January–December was 429,697 (1–12/2023: 383,929), for a total value of EUR 5.34 (6.08) million. The share price low was EUR 9.86, the high EUR 14.35, the average EUR 12.43 and the closing price EUR 10.00. Market capitalization on December 31, 2024, was EUR 252.5 (346.38) million. On December 31, 2024, Etteplan had 3,483 (3,584) shareholders.

BREAKDOWN OF SHAREHOLDINGS, DECEMBER 31, 2024

Major shareholders

Name	Number of shares	Proportion of shares and votes, %
Ingman Group Oy Ab	16,670,000	65.76
Oy Fincorp Ab	2,621,234	10.34
Keskinäinen työeläkevakuutusyhtiö Varma	985,593	3.89
Keskinäinen Eläkevakuutusyhtiö Ilmarinen	343,618	1.36
Tuori Klaus Tapani	309,134	1.22
Tuori Aino Mirjami	298,275	1.18
Keskinäinen Työeläkevakuutusyhtiö Elo	262,000	1.03
Vas Invest Oy	194,035	0.77
Erikoissijoitusrahasto Aktia Mikro Markka	133,953	0.53
Op Fin Small Cap	109,436	0.43
Juha Näkki	107,739	0.42
Etteplan Oyj	100,921	0.40
Proprius Partners Micro Finland (Non-Ucits)	81,000	0.32
Robert Ingman	60,000	0.24
Kylänpää Osmo Olavi	53,200	0.21
Sijoitusrahasto Säästöpankki Pienyhtiöt	49,241	0.19
Fondita Equity Spice Sijoitusrahasto	42,082	0.17
Kurra Jorma Juhani	41,841	0.17
Mäkelä Esa Tapio	40,285	0.16
Burmeister Dorrit Elisabeth	32,313	0.13
Other shareholders	2,814,893	11.10
Nominee registrated	1,016,587	4.01
Total	25,350,793	100.00

Breakdown of shareholdings by owner group

Name of the sector	Number of shareholders	Number of shares	Proportion of shares and votes, %
Companies	103	17,168,692	67.72
Fund company	14	2,723,104	10.74
Private Individuals	3,318	2,404,066	9.48
Pension & Insurance	6	1,620,482	6.39
Others	21	395,119	1.56
Foundation	13	22,743	0.09
Nominee registered	8	1,016,587	4.01
Total	3,483	25,350,793	100.00

Breakdown of shareholdings by size class

Number of shares, pcs	Number of shareholders	Proportion of shareholders, %	Number of shares	Proportion of shares and votes, %
1-100	1,744	50.07	61,036	0.24
101-500	1,082	31.07	296,393	1.17
501-1,000	292	8.38	225,085	0.89
1,001-5,000	277	7.95	583,154	2.30
5,001-10,000	39	1.12	281,368	1.11
10,001-50,000	26	0.75	557,032	2.20
50,001-100,000	3	0.09	194,200	0.77
100,001- above	12	0.34	22,135,938	87.32
Nominee registered	8	0.23	1,016,587	4.01
Total	3,483	100.00	25,350,793	100.00

Key figures for shares

Financial period	2024	2023	2022
Earnings per share, EUR	0.41	0.66	0.73
Equity per share, EUR	4.67	4.55	4.25
Dividend per share, EUR (Proposal by the Board of Directors)	0.22	0.30	0.36
Dividend per earnings per share, %	53	45	49
Effective dividend return, %	2.2	2.2	2.5
P/E-ratio, EUR	24.3	20.8	20.0
Share price, EUR			
lowest	9.86	12.40	11.65
highest	14.35	18.65	18.75
average for the year	12.43	15.84	15.46
closing	10.00	13.80	14.60
Market capitalization, EUR 1,000	252,499	346,380	365,610
Number of shares traded, 1,000 pcs	430	384	518
Shares traded, %	2	2	2
Adjusted average number of externally owned shares during the financial year, 1,000 pcs	25,213	25,090	25,032
Adjusted number of externally owned shares at year end, 1,000 pcs	25,250	25,100	25,050

Etteplan Oyj and Lago Kapital Ltd have a market making agreement in compliance with the Liquidity Providing (LP) requirements issued by Nasdaq Helsinki Ltd. The liquidity providing in accordance with the agreement commenced on February 17, 2020. According to the agreement, Lago Kapital Ltd will provide Etteplan's share with bids and offers so that the maximum spread is 4 per cent, calculated from the bid quotation. Both the bid and offer side shall include a number of shares corresponding to the value of at least EUR 3,000. Lago Kapital Ltd undertakes to submit bids and offers for the share of Etteplan Oyj on the trading system maintained by Nasdaq Helsinki Ltd on each trading day for at least 85 per cent of the time of continuous trading. The market making agreement aims at increasing the share's liquidity and decreasing the share price volatility, thus facilitating trading for private investors in particular.

Etteplan did not purchase any of its own shares in January–December 2024. The company held 100,921 of its own shares at the end of December 2024 (December 31, 2023: 100,921), corresponding to 0.4 percent of all shares and voting rights.

Etteplan Oyj's incentive plan for key personnel 2023-2025

The Board of Directors of Etteplan Oyj decided on April 20, 2023, to establish a new share incentive plan for the Group's key personnel. The aim of the share incentive plan is to combine the objectives of the shareholders and the key personnel in order to increase the value of Etteplan, to commit the key personnel to the company, and to offer them a competitive reward plan based on earning the company shares. The plan includes one earning period which includes the calendar years 2023-2025. The plan is in line with Etteplan's strategy and supports reaching the company's financial targets.

The earnings criteria are Etteplan Group's revenue increase and earnings per share development. The potential reward will be paid partly in Etteplan's shares and partly in cash after the end of the earning period. The cash portion is intended to cover taxes and tax-related costs arising from the reward to the key personnel. Approximately 35 people belong to the plan, including the Management Group of Etteplan. The rewards to be paid on the basis of the plan will correspond to the value of a maximum total of 300,000 Etteplan Oyj shares (including also the portion to be paid in cash). The shares to be paid out as potential rewards will be transferred from the shares held by the company or shares acquired from the market.

EVENTS AFTER THE REVIEW PERIOD

January 16, 2025: Etteplan strengthens its position in Germany by acquiring Novacon Powertrain, an engineering company focused on E-mobility and powertrain development

Etteplan strengthens its position in Central Europe by acquiring all shares in the German product engineering services company Novacon Powertrain GmbH, which focuses on electrification in the automotive industry and the development of engine technology. The acquisition brings Etteplan a new product development unit with strong expertise in the electrification of motoring and rail traffic as well as in the development of advanced powertrains. The revenue of the company, which employs about 180 professionals, was approximately EUR 18 million in 2023. In the acquisition, the founder and CEO of Novacon Powertrain, Philipp Welz, sells his ownership of the company to Etteplan and continues to manage the acquired business. The purchase price to be paid in cash is not disclosed.

OPERATING RISKS AND UNCERTAINTY FACTORS

Etteplan's financial results are exposed to a number of strategic, operational and financial risks. The uncertainties caused by the general economic development continue to constitute risks for Etteplan's business. The possibility of changes in customers' business operations is a significant risk to Etteplan's operations. The company's operations are based on skilled staff. The availability of competent professionals

is an important factor for ensuring profitable growth and operations. The availability of personnel, particularly in certain expert disciplines, continues to present a business risk.

Increased geopolitical tensions and the global political situation make the future more difficult to predict and increase uncertainty in the markets, which has an impact on our customers' operations and supply chains and, consequently, Etteplan's demand.

Changes in legislation and regulations may have an impact on Etteplan. The reforms to labor market legislation that entered into force in Sweden in October 2024 may have an impact on our business.

Etteplan assesses business risks annually and actively monitors their development during the year. The focus of the assessment is particularly on monitoring changes in already identified risks, identifying new business risks and developing proactive risk management. The results of the assessment are presented in Etteplan's Corporate Governance Statement 2024.

MARKET OUTLOOK 2025

The most important factor affecting Etteplan's business is the global development of the machinery and metal industry. Uncertainty is continuing in the markets due to geopolitical tensions and the global political situation. Order backlogs are generally on a downward trend, which affects our customers' willingness to invest and keeps our demand situation at a modest level at the start of 2025. Investments related to the defense industry are continuing at a good level, while investments related to the energy industry are at a moderate level. However, investments related to accelerating the green transition have slowed slightly. Nevertheless, we expect the market situation to take a turn for the better in 2025.

KEY INTANGIBLE ASSETS AND THEIR VALUE-ADDING CHARACTERISTICS

Etteplan's business is strongly based on intangible assets that provide significant added value to our customers and support the company's strategic goals. These assets include expertise, technologies and innovations, as well as strong customer relationship management.

- **Expertise and Personnel:** Etteplan's success is based on highly educated and experienced personnel who bring deep technical knowledge and expertise. The company invests in continuous development and training of its employees, ensuring they stay up-to-date with the latest technologies and methods.
- **Technologies and Innovations:** Etteplan extensively utilizes the latest technologies and innovations in its service solutions. The company continuously develops new technology-based services that improve

customers' business processes and competitiveness. For example, the utilization of artificial intelligence and digitalization are key factors in Etteplan's services.

- **Customer Relationships and Partnerships:** Strong and long-term customer relationships are the foundation of Etteplan's business. The company aims to deepen its partnerships with customers by understanding their business needs and providing tailored solutions that deliver tangible added value.

Etteplan's business is based on the effective utilization of these intangible assets, enabling the company to grow and maintain its competitiveness in a rapidly changing market environment.

FINANCIAL GUIDANCE 2025

Etteplan issues guidance for revenue and operating profit (EBIT) as a numerical range and issues the following estimate:

Revenue in 2025 is estimated to be EUR 365–400 (2024: 361.0) million, and operating profit (EBIT) in 2025 is estimated to be EUR 23–30 (2024: 18.4) million.

THE BOARD'S PROPOSAL FOR THE DISTRIBUTION OF PROFITS

The parent company's distributable shareholders' equity according to the balance sheet on December 31, 2024, is EUR 95,332,173.56. The Board of Directors will propose to the Annual General Meeting, which will convene on April 8, 2025, that on the dividend payout date a dividend of EUR 0.22 per share be paid on the company's externally owned shares, for a total amount of EUR 5,577,174.46 at most, and that the remaining profit be transferred to retained earnings.

ANNUAL GENERAL MEETING

Etteplan Oyj's Annual General Meeting will be held on Tuesday, April 8, 2025. The summons to the AGM is published as a separate release.

CORPORATE GOVERNANCE STATEMENT

Etteplan publishes the Corporate Governance Statement for 2024 separately from the Board of Directors' review. The statement is available on the Company's website www.etteplan.com.

NON-IFRS KEY FIGURES

Etteplan presents non-IFRS key figures to supplement its consolidated financial statements which are prepared in accordance with IFRS. These key figures are designed to measure growth and provide insight into the company's

underlying operational performance. This section describes the most important non-IFRS key figures used by the Group. Formulas for key figures (IFRS and Non-IFRS) are presented at the end of Board of Directors' Review.

Operating profit (EBITA) and EBITA, %

Operating profit (EBITA) is presented, because it reflects the Group's operational performance better than Operating profit (EBIT). Operating profit (EBITA) does not include amortization related to intangible assets acquired in business combinations. EBITA, % presents Operating profit (EBITA) as a percentage share of revenue.

Reconciliation of Operating profit (EBITA) and Profit before taxes

EUR 1,000	2024	2023
Operating profit (EBIT)	18,410	25,540
Amortization of intangible assets at acquisitions	5,963	5,344
Operating profit (EBITA)	24,373	30,883

Organic/In-organic growth and growth in comparable currencies

Organic (revenue) growth is presented in addition to total revenue growth, because it improves the comparability of revenue growth between periods by presenting the revenue growth without the effects of the last 12 months' acquisitions. Organic growth is calculated by comparing revenue between comparison periods excluding revenue from acquisitions that have taken place in the past 12 months. The revenue growth created by the last 12 months' acquisitions is presented as in-organic growth. Revenue growth in comparable currencies is presented, because it improves the comparability of revenue growth between periods by presenting the revenue growth with comparable exchange rates. For the calculation of growth in comparable currencies, revenue for the current period is calculated by using the comparable period's exchange rates. The figure is presented for Group revenue and organic growth.

The share of revenue represented by Managed Services

Etteplan measures the share of revenue represented by Managed Services (MSI Index). Managed Services are service solutions, such as projects and continuous services, where the customer pays for results instead of resources. The share of revenue represented by Managed Services is presented, because it describes Etteplan's strategy implementation and explains, in part, the changes in profitability.

Etteplan Oyj
Board of Directors

FORMULAS FOR THE KEY FIGURES

IFRS Key Figures

$$\text{Basic earnings per share} = \frac{\text{(Profit for the financial year attributable to equity holders of the parent company)}}{\text{Issue adjusted average number of shares during the financial year}} \times 100$$

$$\text{Diluted earnings per share} = \frac{\text{(Profit for the financial year attributable to equity holders of the parent company adjusted with dilutive effect)}}{\text{Issue adjusted average number of shares during the financial year adjusted with dilutive effect}} \times 100$$

Non-IFRS Key Figures

$$\text{Operating profit (EBITA)} = \text{Operating profit (EBIT) + amortization on fair value adjustments in acquisitions}$$

$$\text{Organic growth} = \frac{\text{(Revenue current year - Revenue comparison year - Revenue from acquirees current year)}}{\text{Revenue comparison year}} \times 100$$

$$\text{Revenue growth from key accounts} = \frac{\text{(Revenue from key accounts current year - Revenue from key accounts comparison year)}}{\text{Revenue from key accounts comparison year}} \times 100$$

$$\text{The share of revenue represented by Managed Services} = \frac{\text{Revenue from Managed Services}}{\text{Revenue}} \times 100$$

$$\text{Return on equity (ROE), \%} = \frac{\text{Profit for the financial year}}{\text{(Equity, total) average}} \times 100$$

$$\text{Return on capital employed (ROCE), before taxes, \%} = \frac{\text{(Profit before taxes + Financial expenses)}}{\text{(Total equity and liabilities - non-interest bearing liabilities) average}} \times 100$$

$$\text{Equity ratio, \%} = \frac{\text{Equity, total}}{\text{Total equity and liabilities - Advances received}} \times 100$$

$$\text{Gross investments} = \text{Total investments made to non-current assets including acquisitions and capitalized development costs}$$

$$\text{Net gearing, \%} = \frac{\text{(Interest-bearing liabilities - Cash and cash equivalents)}}{\text{Equity, total}} \times 100$$

$$\text{Equity per share} = \frac{\text{Equity, total}}{\text{Adjusted number of shares at the end of the year}} \times 100$$

$$\text{Market capitalization} = \text{Number of outstanding shares at the end of the year} \times \text{last traded share price of the year}$$

$$\text{Dividend per share} = \frac{\text{Dividend for the financial year}}{\text{Adjusted number of shares during the financial year}}$$

$$\text{Dividend as percentage of earnings} = \frac{\text{Dividend per share}}{\text{Earnings per share}} \times 100$$

$$\text{Effective dividend yield, \%} = \frac{\text{Dividend per share}}{\text{Adjusted last traded share price}} \times 100$$

$$\text{Price/earnings ratio (P/E)} = \frac{\text{Adjusted last traded share price}}{\text{Earnings per share}}$$

$$\text{Share price trend} = \text{For each financial year, the adjusted low and high actual traded prices are given as well as the average price for the financial year adjusted for share issues.}$$

$$\text{Average price} = \frac{\text{Total turnover of shares in euros}}{\text{Number of shares traded during the financial year}}$$

$$\text{Trend in share turnover, in volume and percentage figures} = \text{The trend in turnover of shares is given as the number of shares traded during the financial year and as the percentage of traded shares relative to issued stock during the year.}$$

Sustainability Statements

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GENERAL INFORMATION

ESRS 2 General Disclosures

Basis for preparation

BP-1 – GENERAL BASIS FOR THE PREPARATION OF SUSTAINABILITY STATEMENTS

The sustainability statements have been prepared on a consolidated basis based on the European Sustainability Reporting Standards (ESRS) issued by the European Financial Reporting Advisory Group (EFRAG). Risks, impacts, and opportunities across the value chain, from upstream to downstream, have been identified, along with metrics and targets for sustainability reporting. The exception to this is

listed in section E1-6, which are excluded from the carbon footprint calculations on page 77.

We have identified risks, impacts, and opportunities from upstream to downstream. We have identified metrics and targets for sustainability reporting.

No subsidiary undertakings included in consolidation are exempted from individual or consolidated sustainability reporting.

Our sustainability statements comprehensively address the entire value chain, encompassing Etteplan's own operations upstream, downstream, end users, and society.

- **Etteplan's Own Operations:** Our sustainability efforts are thoroughly embedded in the countries where we operate. We strive to implement and maintain sustainable practices across all our locations, ensuring that our operations contribute positively to the environment and society.
- **Upstream:** This segment includes our suppliers and shareholders. We are committed to ensuring that our suppliers adhere to sustainable practices and that our shareholders are informed about our sustainability initiatives and their impacts.
- **Downstream:** This part of the value chain focuses on our customers. We work closely with our customers to promote sustainable usage of our products and services, helping them achieve their own sustainability goals.

- **End User/Society:** Ultimately, our sustainability efforts aim to benefit society as a whole. By fostering sustainable practices throughout our value chain, we contribute to the well-being of the communities we serve and the broader environment.

Etteplan has not used the option to omit a specific piece of information corresponding to intellectual property, know-how, or the results of innovation, nor has it used the option allowed by an EU member state to omit disclosure of impending developments or matters in the course of negotiation.

BP-2 – DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES

Nothing to disclose on Time horizons, because there have been no deviations.

VALUE CHAIN ESTIMATION

Greenhouse gas emissions metrics (E1-6) include some value chain estimation

In case primary data from the value chain was not available for emission inventory (E1-6), secondary data sources for emission factors were used or other data estimations were carried out.

Secondary data sources used for some of the emission factors include for example sector-averages and spend-based factors. Emission factors from secondary data sources were selected

to represent as good as possible the calculated activities. Spend-based factors used in some of the emission categories, however, give higher uncertainty.

Regarding upstream value chain activities, also estimations of activity data was made regarding some of the emission categories (e.g., some of the transportation, employee commuting and waste generated in operations), as primary data of these activities was not available. Worst-case scenarios were applied whenever relevant in order not to underestimate the emissions.

Regarding downstream value chain activities, data estimations were made for use and end-of-life of sold products, where according to the expert assessment, assumptions were made for example on how the customers use the products (i.e., operating hours and assumed product lifetime).

There are some uncertainty related to the GHG emissions calculations (E1-6). Parameter uncertainty relates to the emission factors obtained from the secondary data sources as well as to the estimated activity data in case primary data was not available. Regarding parameter accuracy, it is estimated that representativeness is mostly good, as used factors are obtained from the most recent published data, and are based on similar technologies and represent the same geography whenever possible. Activity data is mostly based on accounting or other internal

or supplier-specific reporting but some activity data needed to be estimated. The methodological choices and assumptions made regarding some of the assessed emission categories may lead to lower accuracy, as non-verified data based on assumptions or a qualified estimate (e.g. by a sector expert) was used.

Etteplan aims to continuously improve the accuracy of the collected data and systematic methods of the data collection (E1-6). Contribution will be made to improve the supplier- or customer-specific data collection methods in order to improve the accuracy of the used activity data and emission factors. Stakeholder engagement will be improved and spend-based data is aimed to be replaced with more accurate data, if possible. Also, internal data collection and reporting (for example regards employee commuting and data from different business units) will be improved in order to minimize the need for data assumptions.

SOURCES OF ESTIMATION AND OUTCOME UNCERTAINTY

ESRS E1, greenhouse gas emissions metrics (E1-6) as well as metrics of energy consumption and use (E1-5) include some measurement uncertainty.

As there are limitations to the availability of the data, there is both parameter and scenario uncertainty related to the GHG emissions calculations (E1-6). Parameter uncertainty relates to the emission

factors obtained from the secondary data sources as well as to the estimated activity data in case primary data was not available. Emission factors from secondary data sources were selected to represent as good as possible the calculated activities. Spend-based factors used in some of the emission categories, however, give higher uncertainty. Scenario uncertainty, in turn, relates to the expert assumptions made in modeling some of the emission categories. The worst-case scenario was used whenever reliable data was not available, in order not to underestimate the emissions. In addition, due to the tight schedule for data collection for 2024 GHG inventory, activity data could be obtained mostly for the period January to October 2024, and thus, the rest of the year (November to December 2024) was estimated extrapolating the relevant data to cover the full calendar year.

Also, metrics for energy consumption and use (E1-5) include some uncertainty due to lack of primary data regarding types and amount of energy (electricity and heating) used in Etteplan's offices. Lack of data was partly due to challenges in obtaining this information from rented premises. In case primary data was not available, either data from previous year was used or consumption was modelled based on floor-area using national averages for energy consumption. In addition, in case no primary data was available for the type of energy used, reported energy mix represent local or national averages for energy production.

CHANGES IN PREPARATION OR PRESENTATION OF SUSTAINABILITY INFORMATION

Compared to the previous reporting period, the process has changed. Previously, we only used a materiality analysis, but now we use a Double Materiality Analysis (DMA) for reporting, as it meets current reporting standards. The DMA provides an overview of both impact and financial materiality. Additionally, we have established ESG governance procedures that are reviewed annually. Previous reporting periods have been reported in accordance with the Global Reporting Initiative (GRI) standards. This is the first sustainability statement according to the CSRD, therefore there are no changes from previous statements.

Governance

GOV-1 - THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The Annual General Meeting elects the members of the Board of Directors. The Nomination and Remuneration Committee of the Board of Directors of Etteplan Oyj prepares a list of proposed members of the Board of Directors for consideration of the Annual General Meeting. The Board-proposed candidates are reported upon in the notice to the meeting and on the Company's website. According

to the Articles of Association, the Board of Directors shall have a minimum of three and a maximum of seven members. The Annual General Meeting shall elect the Board of Directors for a term of one year at a time.

The Board of Directors recognizes the benefits of a diverse and broad-ranging Board composition to the Company and its shareholders. The successful performance of the duties of the Board and its Committees requires diverse composition, know-how, and experience. The diversity must support the current development stage of the Company and meet the future development needs of the Company's operations and business. The principles supporting the diversity of the Board of Directors are e.g. knowledge of the Company's industry, sufficient, diverse, and complementary experience as well as comprehensive experience in different areas of the business of the Board members. The nomination and Remuneration Committee of the Board takes the diversity principles into account when making the proposal on the composition of the Board to the Annual General Meeting each year.

When composing the Board of Directors, the objective is that the Board consists of a sufficient number of members who have complementary competence profiles. A member of the Board must possess the competence and the educational background required by the task and the possibility to allocate sufficient time required for the task. The composition

of the Board aims to ensure that it has extensive know-how on the essential strategic focus areas of the Company now and in the future. The Board of Directors is composed of female and male members.

Our Board currently comprises six members, all of whom are non-executive members. All members (100%) of the Board (Robert Ingman, Matti Huttunen, Päivi Lindqvist, Tomi Ristimäki, Sonja Sarasvuo and Mikko Tepponen) are independent of the Company. Matti Huttunen, Päivi Lindqvist, Tomi Ristimäki and Mikko Tepponen (67%) are independent of significant shareholders. Robert Ingman and Sonja Sarasvuo (33%) are not independent of the Company's significant shareholders due to their holdings in related parties.

There are no employee representatives within the Board. Of the six members, four are male (67%) and two are female (33%), for a male-to-female ratio of 2:1.

The Board of Directors is responsible for the Company's management and for the due organization of the Company's operations in accordance with the relevant legislation and the Company's Articles of Association. The Board of Directors controls and monitors the Company's operational management, appoints and dismisses the CEO, and approves the major decisions affecting the Company's strategy, capital expenditures, organization, remuneration and bonus systems covering the management, and finances. The Board of Directors also approves the

principles of risk management and ensures the proper operation of supervision of the management system.

Charter of the Board

As part of the Company's corporate governance, the Board of Directors has approved a written charter to control Board work. The Board's charter complements the stipulations of the Finnish Companies Act and the Articles of Association of the Company. For more information, please refer to the Corporate Governance Statement, starting on page 169.

The number of executive members is zero.

The number of non-executive members is six.

There are no employee representatives within the Board of Directors.

Etteplan Oyj Board of Directors appointed by the Annual General Meeting held on April 9, 2024 according to the proposal of the Nomination and Remuneration Committee.

The Board of Directors is responsible for the Company's management and for the due organization of the Company's operations in accordance with the relevant legislation and the Company's Articles of Association. The Board of Directors controls and monitors the Company's operational management, appoints and dismisses the CEO, and approves the major decisions affecting

the Company's strategy, capital expenditures, organization, remuneration and bonus systems covering the management, and finances. The Board of Directors also approves the principles of risk management and ensures the proper operation of supervision of the management system.

The Charter of the Board, As part of the Company's corporate governance, the Board of Directors has approved a written charter to control Board work. The Board's charter complements the stipulations of the Finnish Companies Act and the Articles of Association of the Company.

The Board has the responsibility for overseeing impacts, risks, and opportunities is distributed across several key individuals and bodies within the organization. The board of directors holds ultimate accountability for governance and strategic decision-making, ensuring that both risks and impacts are considered in its oversight of the company's long-term direction.

In carrying out this mandate, the Board is supported by various committees, including the Audit Committee, which plays a critical role in monitoring financial and operational risks. The Audit Committee ensures that controls are in place to manage risks effectively and that the organization's financial integrity is maintained. This body works closely with management to evaluate the effectiveness of risk management processes,

ensuring they align with broader governance objectives.

The CEO and executive leadership team (or Management Group) are responsible for implementing the board's directives, translating strategy into action, and managing the day-to-day operations. They focus on identifying and addressing risks, while also pursuing opportunities that align with the company's objectives.

The responsibilities for managing impacts, risks, and opportunities are embedded in the organization's terms of reference, board mandates, and related policies, ensuring that these critical areas are systematically addressed at all levels of governance. The terms of reference clearly define the roles and responsibilities of key individuals and committees within the organization, ensuring that each has a specific mandate to monitor and manage relevant risks and opportunities.

The board mandates, which guide the actions of the governing body, reflect a commitment to oversight and accountability for the organization's approach to risk management and opportunity identification. These mandates outline the specific duties of the board, including the review of strategic decisions, risk assessments, and the identification of emerging opportunities, aligning governance processes with the company's overall objectives and values.

In addition, related policies provide a framework for decision-making across the organization, ensuring that all stakeholders understand their roles in managing impacts. These policies cover a broad range of issues, from environmental sustainability to financial risk management, and are designed to ensure consistency and alignment in how risks and opportunities are approached. By clearly integrating these responsibilities into formal documents such as the terms of reference and board mandates, the organization reinforces its commitment to effective governance and proactive management of the challenges and opportunities it faces.

Management plays a central role in the governance processes of the organization, ensuring the effective oversight of risks, impacts, and opportunities. This role involves the continuous design, implementation, and monitoring of controls and procedures that safeguard the company's operations and strategic objectives. Management is responsible for establishing governance frameworks that promote transparency, accountability, and alignment with regulatory requirements.

In terms of risk management, management leads efforts to identify, assess, and prioritize potential risks across various business areas. These efforts are supported by systems that provide early warnings and enable rapid responses to emerging threats. Management also ensures that the organization maintains resilience in the face of

uncertainties, balancing proactive risk mitigation with the identification of strategic opportunities for growth and innovation.

Moreover, management is responsible for overseeing the effectiveness of internal controls. These controls are designed to ensure the integrity of financial reporting, operational efficiency, and compliance with applicable laws and regulations. By continuously evaluating these controls, management ensures they remain responsive to the organization's evolving needs and external changes.

Oversight of Management-Level Roles: Oversight is exercised by the Board of Directors, who are responsible for nominating the CEO, and deciding the salary, and compensation, and have the authority to appoint or discharge other key executives. The Board monitors the company's financial performance, reviews and approves the financial statements, and assesses management's compliance with the strategy and budget.

Oversight of Delegated Roles and Committees: The Board exercises oversight over its committees—specifically, the Audit Committee and the Nomination and Remuneration Committee. The Audit Committee ensures the company's financial transparency, accuracy, and compliance with relevant laws, including monitoring internal controls and risk management, and oversees management of sustainability-related impacts, risks, and

opportunities. The Nomination and Remuneration Committee oversees executive appointments and compensation. Both committees report to the Board regularly, ensuring alignment with corporate governance standards and strategic objectives.

Reporting lines to the administrative, management, and supervisory bodies are clearly established within the company's governance structure. The Board of Directors, along with its committees, serves as the highest oversight authority, receiving regular reports from senior management on key areas such as financial performance, risk management, and strategic initiatives. The CEO and CFO report directly to the Board, ensuring that critical information on operations, impacts, risks, and opportunities flows seamlessly to the supervisory body. This reporting structure promotes transparency, accountability, and effective decision-making.

Dedicated controls and procedures are fully integrated with other internal functions to ensure effective oversight and management of material impacts, risks, and opportunities. These controls and procedures are embedded into the company's governance framework and are consistently aligned with the company's operational processes. The integration is managed by the Board of Directors and senior executive management, ensuring that relevant functions such as finance, compliance, and sustainability work in unison to address

key issues. This holistic approach allows for seamless monitoring and reporting, reinforcing the company's commitment to managing risks and seizing opportunities across all levels of the organization.

The administrative, management, and supervisory bodies, along with senior executive management, oversee the setting of targets related to material impacts, risks, and opportunities through a structured governance process. The Board of Directors is directly responsible for ensuring that these targets align with the company's strategic objectives and are properly addressed. The Board regularly monitors progress towards these targets, ensuring that the necessary controls and procedures are in place. This oversight is supported by the Board's diverse expertise and annual performance evaluations, which help track the effectiveness of the company's efforts in managing risks and opportunities.

Performance evaluation of the Board

The Board of Directors assesses its own activities and work practices on an annual basis. The Board specifies the criteria to be used in the assessment, which is carried out as internal self-evaluation. The results of these activities are handled by the Board. In the self-assessment questionnaire, statements related to a) board meetings, b) matters dealt with by the board and c) working as a board member

The members of the board of directors have competences and experience related to Etteplan's material topics, impacts, risks, and opportunities. Through the preparation of the Double Materiality Assessment (DMA) the Management Group received intensive training through participation in workshops from third party experts.

GOV-2 - INFORMATION PROVIDED TO AND SUSTAINABILITY MATTERS ADDRESSED BY THE UNDERTAKING'S ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The group sustainability targets set at the end of 2023 are reviewed annually by Etteplan's ESG (Environment, Social, and Governance) Steering Group, which is composed of members responsible for sustainability matters within their respective business areas. This group advocates for initiatives and projects across the organization, sets targets, allocates resources, provides budgeting advice, and approves EU Taxonomy reporting. They are supported by the ESG Task Force, which includes members from every function within Etteplan and assists with various tasks, project completion, organization, and information collection. Both the ESG Steering Group and the ESG Task Force meet monthly.

The Board of Directors at Etteplan is responsible for the sustainability targets and strategic direction, as well as approving the Sustainability Report. The external auditing is handled by Etteplan's auditor, while the Audit Committee, which meets five times a year, controls and oversees the Sustainability Reporting process.

The Management Group is responsible for Sustainability Reporting, the approval of ESG

targets, and overseeing the process to manage material impacts, risks, and opportunities. The Management Group meets on a monthly basis.

The administrative, management, and supervisory bodies at Etteplan consider impacts, risks, and opportunities through a structured and collaborative approach. The Board of Directors is responsible for setting sustainability targets and strategic direction, as well as approving the Sustainability Report. They ensure that sustainability considerations are integrated into the overall strategy and major decisions.

The Management Group is tasked with Sustainability Reporting, the approval of ESG targets, and overseeing the process to manage material impacts, risks, and opportunities. In their monthly meetings they review and ensure that sustainability is a key consideration in the company's operations and risk management processes.

Additionally, the ESG Steering Group, composed of members responsible for sustainability within their business areas, reviews the group sustainability targets annually. This group advocates for initiatives and projects, sets targets, allocates resources, provides budgeting advice, and approves EU Taxonomy reporting. They are supported by the ESG Task Force, which includes members from every organization within Etteplan

and assists with various tasks, project completion, organization, and information collection. Both the ESG Steering Group and the ESG Task Force meet monthly to ensure continuous oversight and progress on sustainability matters.

The administrative, management, and supervisory bodies at Etteplan, including their relevant committees, are informed about material impacts, risks, and opportunities through a structured process. The Board of Directors, the Management Group, and the Audit Committee are involved in the materiality analysis process, which is reviewed annually. The ESG Steering Group and the ESG Task Force meet monthly to review and address sustainability matters.

The administrative, management, and supervisory bodies consider impacts, risks, and opportunities when overseeing Etteplan's strategy, decisions on major transactions, and risk management processes. This consideration is based on a comprehensive materiality analysis that includes understanding the organization's context, identifying and assessing impacts, risks, and opportunities, and prioritizing them based on their materiality. The analysis involves both qualitative and quantitative input from internal and external stakeholders, including Management interviews and Workshops, and employee surveys.

During the reporting period, the material impacts, risks, and opportunities addressed by the administrative, management, and supervisory bodies included:

- Climate Change (E1)
- Own Workforce (S1)
- Workers in the Value Chain (S2)
- Business Conduct (G1)

These topics were prioritized based on their materiality score and were validated by the Board of Directors, the Audit Committee, the Management Team, and the ESG Steering Group.

GOV-3 - INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

At this moment we do not have a sustainability-related incentive scheme in place, however, the senior management incentive system includes a sustainability element for 2025.

GOV-4 - STATEMENT ON DUE DILIGENCE

The Due Diligence process is summarised in the table below.

Table GOV-4. Core elements of due diligence process.

Core Elements of Due Diligence	Paragraphs in the sustainability statement
a) Embedding due diligence in governance, strategy, and business model	GOV-1 The role of the administrative, management and supervisory bodies GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model
b) Engaging with affected stakeholders in all key steps of the due diligence	SBM-2 Interests and views of stakeholders GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies IRO-1 Description of the process to identify and assess material impacts, risks and opportunities
c) Identifying and assessing adverse impacts	SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model IRO-1 Double materiality assessment process Sustainability due diligence
d) Taking actions to address those adverse impacts	E1-3 Actions and resources in relation to climate change policies S1-4 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions
e) Tracking the effectiveness of these efforts and communicating	S1-4 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

GOV-5 - RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING

The scope of risk management and internal control processes in Etteplan's sustainability reporting follows the principles of the ISO 31000 standard. This includes identifying, assessing, and mitigating

essential CSRD risks. The documentation and monitoring of risk management are carried out using an internal risk assessment tool.

Etteplan's risk assessment adheres to the basic principles of the ISO 31000 standard, which involve first assembling a risk assessment team, defining the

project's scope, identifying risks, assessing them, and assigning mitigation measures and their owners.

The main risks identified are 1) The availability of data at the end of the value chain and 2) the accuracy of input data and/or estimation results. The main risks refers into a scenario where the data collection is rushed, or from incorrect locations, which cause the sustainability report to be inaccurate. These risks are managed, for example, by focusing our resources to the main parts of the CSRD report, naming ownership for these topics, all data is mandated to have an evidence for the integrity of the report.

Once the mitigation actions of the risk assessment have been identified and ownership is defined, each control is taken into action. For the main risks of the CSRD, the mitigation actions focus on the ownership and collection of the sustainability data. For future reporting, this will further be taken into account with internal functions, such as experience gained from this year, and the development of the reporting tools and processes.

This is the first year with CSRD reporting and it's CSRD process risk assessment. The same risk assessment tool and process will be re-evaluated for the upcoming years by the ESG steering group.

Periodic reporting of findings from risk assessments and internal controls related to sustainability

reporting is essential for maintaining transparency and accountability within Etteplan. These reports are systematically prepared and presented to administrative, management, and main topics also to external parties via the CSRD and annual reports. These reports also foster a culture of continuous improvement by encouraging feedback and facilitating discussions on strategic responses to emerging sustainability challenges.

Strategy

SBM-1 – STRATEGY, BUSINESS MODEL AND VALUE CHAIN

Some of the key elements in Etteplan's overall strategy that impact sustainability issues are our new brand, new values, and vision, which now include sustainability topics. We consider sustainability to be a key megatrend affecting our operations, alongside digitalization and the availability of skilled professionals.

Etteplan delivers a wide range of services designed to promote the industrial and technological growth of its clients. The company is divided into three service areas: Engineering Solutions, which accounts for 53% of our group revenue, Software and Embedded Solutions at 27%, and Technical Communication Solutions at 20% (FY2024). Etteplan's core expertise includes software and

embedded systems, machinery, equipment and plant engineering, as well as technical communication solutions. The trends of digitalization, rapid technological advancement, and the green transition are transforming the operational landscape and the engineering sector, creating new opportunities for growth and development.

Etteplan serves a diverse range of industries, which include:

- **Manufacturing:** Supporting companies in industrial machinery, automation, and production systems with product design, development, and digitalization services.
- **Automotive:** Providing embedded systems, software development, and technical documentation for vehicles and transportation solutions, with a focus on connectivity and safety.
- **Healthcare & Medical Devices:** Developing safety-critical systems and compliance documentation for medical technology, ensuring adherence to regulatory standards.
- **Aerospace & Defense:** Offering advanced engineering, embedded systems, and technical documentation services for highly regulated industries that require precision and safety.
- **Energy & Power Generation:** Delivering sustainable engineering solutions and technical support for the energy sector, particularly in renewable energy, smart grids, and efficiency optimization.

Total number of employees is

3,803

Etteplan's 3,803 employees are distributed across

- Finland (49.5%, 1,882),
- Scandinavia (19%, 723),
- Central Europe (21%, 800),
- China (10.4%, 397).
- USA (0.1%, 1)

The Group's revenue was

EUR 361.00 million

Etteplan's customer base includes global industrial companies, OEMs (Original Equipment Manufacturers), and technology innovators across Europe, North America, and Asia.

Etteplan has sustainability-related goals that refer to significant groups of products and services. Etteplan has set a goal to increase the share of taxonomy-eligible and taxonomy-aligned turnover in its total turnover and monitors the development annually. Changes in Etteplan's service offering are always strongly related to customer demand. Etteplan responds to customers' demand for taxonomy-eligible and taxonomy-aligned expert services based on demand.

Etteplan's key competence areas include software and embedded systems, machinery, equipment and plant engineering, and technical communication solutions. Digitalization, technological development, and the green transition are significantly changing the operational environment and the engineering industry, offering opportunities for growth and development.

Some elements of Etteplan's business strategy are based on the principles of sustainable development. The company assists customers in optimizing, forecasting, and modernizing their operations to improve efficiency. The sustainable solutions provided aim to generate value while minimizing environmental impacts, improving energy consumption efficiency, and enhancing employee

satisfaction and safety. Cyber security and data protection are also integral to Etteplan's solutions, technologies, and digital operating environment.

Etteplan Business Model: Etteplan provides expert services and service solutions to leading manufacturers worldwide. The company operates in advanced technical fields in collaboration with its customers, aiming to be a preferred choice. Etteplan works to enhance the competitiveness and efficiency of their customers' products and engineering processes throughout their life cycles.

Etteplan's value chain includes suppliers, shareholders, Etteplan itself, customers, end-users, and society.

The approach to gathering, developing, and securing inputs related to upstream stakeholders, specifically shareholders and suppliers, involves a comprehensive understanding of their respective interests and values. Shareholders prioritize company profitability and the overall brand image, seeking insights that reflect the organization's financial health and market positioning. Suppliers are motivated by the potential for increased sales and enhanced reference value, which encourages collaboration and a strong partnership with the company.

The outputs and outcomes within the downstream value chain includes customers, the focus is

on helping them reach their targets by creating sustainable solutions that enhance their competitiveness while supporting Etteplan's environmental, social, and governance (ESG) objectives. End-users and society at large benefit from the ease of accessing sustainable products and the assurance of reliability, which not only reduces waste and pollution generated by factories but also guarantees the safety of the products they choose.

We provide expert services and service solutions to the world's leading manufacturers. We operate in highly advanced technical fields in close cooperation with our customers - our goal is to be the number one choice for each of our customers. We improve the competitiveness and efficiency of their products and engineering processes throughout their life cycles.

Our business has a strong foundation in the principles of sustainable development. We help our customers optimize, forecast and modernize their operations and improve their efficiency. The sustainable solutions we innovate for our customers generate the highest possible value and minimize adverse environmental impacts, improve the efficiency of energy consumption and increase employee satisfaction and safety. We also take cyber security and data protection issues into consideration in our solutions, the technologies we utilize and our entire digital operating environment.

The core of Etteplan's strategy is to create value for our customers and produce results that matter. By combining technologies with our expertise and taking our service solutions to the industrial scale, we help our customers achieve their goals, fulfill environmental requirements and minimize costs. In addition to creating value for our customers, we also create value for the surrounding society and communities, both now and in the future.

SBM-2 - INTERESTS AND VIEWS OF STAKEHOLDERS

Etteplan's key stakeholders include the company's personnel, customers, shareholders, investors, suppliers, and partners (workers in the value chain). Additionally, the company maintains communication with educational institutions, students, the media, industry organizations, authorities, and non-governmental organizations.

We seek to engage in active and open dialogue with our stakeholders. We stay informed about stakeholder expectations through various means, including meetings, events, surveys, audits, feedback channels, reporting channels, and working groups.

Continuous dialogue is essential for responding to stakeholders' evolving expectations regarding operations. Etteplan participates actively in industrial organizations, contributing knowledge and developing best practices. In Finland, Etteplan is a founding member of Technology Industry Employers

of Finland and adheres to national collective labor agreements. In Sweden, the company is a member of the Swedish Federation of Consulting Engineers and Architects and SVEAT (Svensk Additiv Tillverkning).

The outcomes of stakeholder engagement are carefully considered through management interviews, workshops, employee questionnaires, and a desktop study on partner expectations, all integrated into our Decision-Making Framework. This approach allows us to gather insights from various stakeholders and incorporate their needs into our planning and operations. By involving both management and employees, we gain diverse perspectives that help us align our initiatives with stakeholder interests, fostering a responsive organizational culture.

Etteplan conducted a Double Materiality Assessment (DMA) in 2023-2024 to update its Sustainability Agenda (material ESG topics, metrics, and targets), to determine the material ESRS topics for CSRD reporting and develop the understanding of interests and views of key stakeholders relating to the strategy and business model. The process has involved both qualitative and quantitative input from internal and external stakeholders. Also, the Board of Directors, the Management Group, and the Audit Committee were involved in the process. Based on the value chain assessment, stakeholder engagement and the workshop, each ESRS topic (according to the ESRS 1 AR 16) was assessed using

the principle of Double Materiality. Impacts, risks and opportunities were assessed as positive and negative, actual and potential over the long, medium and short term.

SBM-3 - MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

Etteplan's materiality assessment highlighted the following critical impacts: G1 Business Conduct, E1 Climate Change, S1 Own Workforce, and S2 Workers in the value chain.

Topical ESRS	Sustainability matters covered in topical ESRS				
	Topic	Sub-topic	Sub-sub-topic	Related policies	Metrics and targets set in 2024
ESRS E1	Climate change	Climate change mitigation		Transition plan	Emissions reduction %, scope 1 and 2 – 42% for 2030
ESRS S1	Own workforce	Working conditions	Adequate wages	Code of Conduct	
			Health and Safety	Occupational Health and Safety policy	
		Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	Code of Conduct	Compensation equality between genders
			Training and skills development		100% of employees participate in an annual PDP (Personal Development Plan) discussion.
ESRS S2	Workers in the value chain	Working conditions	Diversity	Code of Conduct	Increase the number of women in the company*
		Equal treatment and opportunities for all	Health and Safety	Supplier Policy, Supplier Code of Conduct	
			Training and skills development	Supplier Policy, Supplier Code of Conduct	
ESRS G1	Business Conduct	Corporate culture		Supplier Policy, Supplier Code of Conduct	
				Code of Conduct	100 Percent of people trained to Code of Conduct
				Code of Conduct	
	Corruption and bribery	Protection of whistle-blowers		Code of Conduct	
		Management of relationships with supplies including payment practices		Supplier Policy, Supplier Code of Conduct	
			Prevention and detection including training	Code of Conduct	Zero corruption and bribery cases reported

*The metric was set in 2024. The current situation is described in S1-6. The target is in the Sustainability Agenda table on page 17.

The materiality assessment revealed both risks and opportunities. In the climate change mitigation category (E1), this included the need for climate change adaptation, the impacts of greenhouse gas (GHG) emissions from own operations, GHG emissions across the value chain, the green transition, and the importance of energy efficiency within own operations. In the social category, own workforce (S1) encompassed health and safety, gender equality and equal pay for work of equal value, training and skills development, and diversity. For workers in the value chain (S2), included health and safety, gender equality and equal pay for work of equal value, and diversity. The governance category, business conduct (G1), involve corporate culture, the protection of whistle-blowers, management of relationships with suppliers including payment practices, and issues related to corruption and bribery.

In 2024 the process of developing a new business strategy began. Part of developing the new business strategy included observing sustainability-related impacts, risks and opportunities (IRO) within the process. Part of the response was to include these topics within the development of the new strategy.

The management group had two workshops where IRO was discussed in the upstream and downstream value chain to develop a Sustainability Agenda.

The process for the Sustainability Agenda included the following steps,

- **Organization's Context:** This involved understanding the organization's activities, business relationships, strategy, vision, mission, sector, business model, geographical location, and employees.
- **Stakeholder Engagement:** Engaging with stakeholders who can affect or be affected by Etteplan's activities. This includes employees (surveys), customers (surveys), involvement throughout the ESG Governance. The engagement process involved management interviews and surveys, and stakeholder surveys to gather insights on material topics.
- **Value Chain Impacts:** Assessing the impacts of the company's operations on the value chain, including purchased goods and services, transportation, waste generation, employee commuting, and business travel. This also included evaluating the positive and negative impacts, risks, and opportunities in the short, medium, and long term.
- **Double Materiality Assessment:** This involves assessing both financial materiality (the impact of sustainability matters on the company's financial performance) and impact materiality (the company's impact on the environment and society). The assessment considered actual and potential positive and negative impacts over different time horizons.

- **Sustainability Metrics and Targets:** Setting metrics and targets for sustainability performance, including emissions reduction, carbon footprint, employee engagement, gender diversity, and anti-corruption measures.

Regarding climate change, most severe impact on the environment is expected in the long term. In the long term (more than 5 years), material negative and positive impacts may affect the extent of adaptation of offices and other facilities. We are not able to control the GHG emissions of our customers, only help them improve. However, business growth helps customers achieve their GHG and other environmental targets.

In the medium term (1-5 years), there may be financial risks for not being environmentally friendly, or compliant.

In the short term (up to one fiscal year), impact is limited as emissions from own operations are low according to the company carbon footprint calculation.

Currently, the impacts originate from or are connected to strategy and business model.

Based on the materiality assessment, the impacts risks and opportunities were prioritized using the materiality matrix. At this stage, for the reporting

it was agreed to prioritize the topics with "Critical" Materiality Score (Financial or Impact Materiality Score ≥ 12).

The four most material ESRS standards to report in 2024 Sustainability Statement were E1 Climate Change, S1 Own Workforce, S2 Workers in the Value Chain, G1 Business Conduct.

The assessment process involved understanding the organization's context, engaging with stakeholders, assessing value chain impacts, and conducting a double materiality assessment. The topics E1, S1, S2, and G1 were identified as the most material for Etteplan.

E1 (Environmental Impact - Climate Change): This topic is critical because climate change poses significant risks and opportunities for Etteplan. In the short-term, emissions and energy consumption from its own operations are low according to the carbon footprint calculation.

However, in the long-term there are no immediate effects, but there may be impacts on the adaptation of offices and facilities. Etteplan cannot control customers' GHG emissions but can help them curb them. Additionally, there is potential for business growth by assisting customers in achieving their GHG and other environmental targets. Etteplan aims to reduce emissions by 42% from the 2022 baseline,

expand carbon footprint initiatives globally, and increase the percentage of EU-taxonomy-eligible projects.

S1 (Social Impact - Own Workforce): Employee engagement and working conditions are crucial for Etteplan's productivity and job satisfaction. The company is committed to fostering diversity within its workforce, tracking the gender pay gap, and developing an Inclusion Index to measure and improve workplace well-being. Ensuring a positive work environment helps attract and retain talent, which is vital for the company's long-term success.

S2 (Social Impact - Workers in the Value Chain): The well-being of workers in Etteplan's value chain is a significant concern. The company focuses on ensuring fair treatment, safe working conditions, and opportunities for all workers involved in its operations. By addressing these social impacts, Etteplan can mitigate risks related to labor practices and enhance its reputation as a responsible business.

G1 (Governance - Business Conduct): Governance is a key focus area for Etteplan, with an emphasis on anti-corruption and bribery measures. The company ensures that all employees receive training on the Code of Conduct, promoting a deep understanding of business ethics and maintaining a strong corporate governance framework. Effective governance practices are essential for building trust

with stakeholders and ensuring compliance with regulatory requirements.

These topics were selected based on their relevance to Etteplan's operations and their potential impact on the company's sustainability performance. The assessment process involved workshops, interviews, and surveys with key stakeholders, and the results were validated by Etteplan's management.

The points below emphasize the possible financial implications and opportunities associated with climate risks, underscoring the necessity of adhering to the Code of Conduct (CoC) to mitigate these risks. Based on the DMA and climate risk assessment, ignoring the CoC could lead to several tangible risks and opportunities:

- Financial risk
- Value chain corruption is a risk
- Emerging regulations can lead to business opportunities
- Increasing operating costs
- Emissions from own operations are low according to the company carbon footprint calculation
- We are not able to control the GHG emissions of our customers, only help them curb them
- Energy consumption from own operations is low according to the carbon footprint calculations
- Awareness of climate adaptable services

The possible expected financial consequences of material risks and opportunities on impacts include the potential to attract or lose new talent if we fail to provide more environmental solutions that our customers are seeking, which could affect their buying behavior. Additionally, there is an opportunity for business growth by assisting customers in achieving their greenhouse gas (GHG) and other environmental targets. In the short term, it is likely that there will be no significant effects; however, in the long term, there may be impacts on the extent to which our offices and other facilities adapt to changing requirements.

The resilience of Etteplan's strategy and business model in addressing material impacts and risks, as well as capitalizing on material opportunities, is further strengthened by the insights gained from the World Economic Forum risk report and the outcomes of the Etteplan Management group workshop. These workshops highlighted several additional methods by which risks have been considered, indicating a proactive approach to integrating risk management into the company's strategic framework, such as;

Stakeholder Engagement: Engaging with various stakeholders, including management interviews and surveys, to gather insights on material topics and risks.

Value Chain Assessment: Assessing the impacts of the company's operations on the value chain, including purchased goods and services, transportation, waste generation, employee commuting, and business travel.

Double Materiality Analysis: Conducting a double materiality assessment to evaluate both financial materiality (the impact of sustainability matters on the company's financial performance) and impact materiality (the company's impact on the environment and society).

Competitor Analysis: Reviewing the sustainability programs and targets of competitors to benchmark and identify potential risks and opportunities.

Regulatory Compliance: Aligning with various EU regulations, including the Corporate Sustainability Reporting Directive (CSRD), and EU Taxonomy Regulation, to ensure compliance and mitigate regulatory risks.

The previous reporting period included material impacts that were previously reported in from 2015. Comparing to the renewed Double Materiality Assessment to the previous Materiality Assessment it was found that, **Climate Change** remains a key focus in both assessments, emphasizing the importance of reducing greenhouse gas emissions.

Energy Consumption and **Waste Management** are not explicitly mentioned in the current topics but are likely encompassed within the broader category of environmental impacts of products and services.

Water Usage and **Biodiversity** are not highlighted in the current topics, indicating a potential shift in focus towards other environmental aspects.

Employee Well-being and **Diversity and Inclusion** continue to be significant, with an added emphasis on equal treatment and opportunities for all.

Community Engagement is not explicitly mentioned in the current topics, suggesting a potential shift in focus towards internal workforce and corporate culture. **Corporate Governance** and **Ethical Business Conduct** are still important, with a specific focus on anti-corruption and bribery, and cooperation with suppliers and partners.

Overall, the current material topics reflect a more integrated approach to environmental, social, and governance aspects, with a strong emphasis on the impacts of products and services, corporate culture, and ethical business practices.

We do not have any entity specific information relating to the disclosure of specification of impacts, risks and opportunities that are covered by ESRS Disclosure Requirements.

Impact, risk and opportunity management

IRO-1 - DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

The method of the process to identify impacts, risks, and opportunity included workshops, interviews, surveys, and desktop work. Etteplan conducted the DMA in 2023-2024 to update its Sustainability Agenda (material ESG topics, metrics and targets and to determine the material ESRS topics for CSRD reporting. The process has involved both qualitative and quantitative input from internal and external stakeholders. Also, the Board of Directors, the Management Group and the Audit Committee were involved in the process.

The process of the Double Materiality Assessment to identify, assess, prioritize and monitor potential and actual impacts started off with a workshop which included all members of the global Management Group and the Value Chain Assessment was conducted. The purpose was to define the value chain - identifying ESG impacts at different stages

of the value chain. Following the Workshop, Management Group interviews were conducted. The second Workshop resulted in defining Etteplan's material sustainability topics along with metrics and targets. The Double Materiality tool was used to map impacts, risks, and opportunities. Further stakeholder engagement was developed through global employee surveys.

The materiality analysis is divided into five phases
Phase 1: Understanding the organization's context
Phase 2: Identifying impacts, risks and opportunities in own operations and in the value chain
Phase 3: Assessing impacts, risks and opportunities
Phase 4: Prioritizing impacts, risks and opportunities based on the materiality assessment
Phase 5: Validating impacts, risks and opportunities

The Double Materiality Assessment process identified and managed risks relating to operations, business relationships, and geographies, or other factors by addressing both the global Management Group through interviews as well as employees globally through a survey. Both the interviews and survey addressed potential environmental, social, and governance impacts that Etteplan may cause or affect.

The process included interviews and surveys that explored and identified impacts of own operations through interviews with Management Group members and global employee surveys. In addition,

Etteplan has resourced additional expertise from an external consultant as well as external sustainability auditing. After obtaining the results of the Double Materiality Assessment, Etteplan shared the information internally on intranet pages accessible to all Etteplan employees, as well as on the external website for all other stakeholder access.

For negative impacts, the process considers both actual and potential impacts. Actual negative impacts are assessed based on their severity and irremediable character, while potential negative impacts are evaluated based on their severity, likelihood, scale, scope, and irremediable character. This comprehensive assessment ensures that the most severe and likely negative impacts are prioritized for reporting. For the reporting it was agreed to prioritize the topics with "Critical" Materiality Score (Financial or Impact Materiality Score ≥ 12).

A sustainability matter is material from a financial perspective if it generates risks or opportunities that affect (or could reasonably be expected to affect) the undertaking's financial position, financial performance, cash flows, access to finance or cost of capital over the short, medium or long term. The risks and opportunities were assessed based on likelihood of occurrence and potential magnitude.

Impacts, risks, and opportunities in Etteplan's operations and value chain were identified through

a workshop and questionnaire with the Management Team, using the principle of Double Materiality. This principle helped Etteplan assess both the financial and non-financial impacts of its operations.

The identified impacts, risks, and opportunities were then assessed to understand their significance and relevance to Etteplan's Sustainability Agenda. This assessment helped prioritize the most critical areas for action.

Etteplan also conducted a value chain assessment to identify positive and negative impacts, risks, and opportunities across its value chain. The results were used to prioritize actions and develop strategies to mitigate risks and capitalize on opportunities.

Likelihood, magnitude, and nature of effects of identified risks and opportunities were assessed on a scoring scale of 1-5 in each category.

Likelihood Assessment: The likelihood of occurrence for both risks and opportunities is evaluated using a scale from 0 to 5, where 0 represents "none" and 5 represents "absolute/actual" likelihood.

Magnitude Assessment: The magnitude of the impact is assessed based on the scale and scope of the effect. The scale ranges from 0 (none) to 5 (absolute), and the scope ranges from 0 (none) to 5 (global/total).

Nature of Effects: The nature of the effects is considered in terms of their severity, irremediability, and whether they are actual or potential. Actual impacts automatically receive the maximum likelihood value of 5 in the calculation formula.

Based on the materiality assessment, impacts, risks, and opportunities are prioritized using a materiality matrix. Topics with a "Critical" Materiality Score (Financial or Impact Materiality Score ≥ 12) are prioritized for reporting. The prioritization process involves normalizing the results to a scale from 0 to 15 points and using color coding to visualize the materiality.

The decision-making process and related internal control procedures were based on the materiality assessment, impacts, risks, and opportunities are prioritized using a materiality matrix.

The results of the materiality analysis were presented to the Management Groups, the Board of Directors, the Audit Committee, and the ESG Steering Group, for validation.

Internal control procedures include regular meetings and reviews by the ESG Steering Group and the ESG Task Force, which meet monthly to review and address sustainability matters. The Audit Committee controls and oversees

the Sustainability Reporting process. The Group Management is responsible for Sustainability Reporting, the approval of ESG targets, and overseeing the process to manage material impacts, risks, and opportunities.

The process to identify, assess, and manage impacts and risks at Etteplan included various considerations, such as,

Understanding Context: Analyzing Etteplan's strategy, vision, mission, business model, and geographical location.

Value Chain Assessment: Conducting workshops and questionnaires to evaluate impacts, risks, and opportunities across the value chain using Double Materiality.

Stakeholder Engagement: Engaging with stakeholders through interviews and surveys to gather insights on material ESG topics.

Identifying Impacts and Risks: Holding workshops to identify material ESG topics and agree on the Sustainability Agenda.

Assessing Impacts and Risks: Evaluating each ESRS topic using Double Materiality to understand the overall risk profile.

Prioritizing Impacts and Risks: Using a materiality matrix to prioritize topics with a "Critical" Materiality Score.

Validating Results: Presenting the results for validation by the Management Group, the Board of Directors, and the Audit Committee.

This integrated approach ensures a comprehensive evaluation and management of Etteplan's overall risk profile.

The process to identify, assess and manage opportunities is integrated into overall management process including the Board of Directors, the Management Group, and the Audit Committee played roles within the process.

Management's involvement could be summarized in five key phases. First, they contributed to understanding the organization's context by analyzing existing materiality analysis, sustainability metrics, and targets. This phase included gathering basic information about Etteplan, such as strategy, vision, mission, business model, geographical location, and number of employees.

Second, the Management Group participated in a workshop and completed a questionnaire to identify impacts, risks, and opportunities in Etteplan's

operations and value chain using the principle of Double Materiality.

Third, management helped assess the identified impacts, risks, and opportunities to understand their significance and relevance to Etteplan's Sustainability Agenda.

Fourth, they prioritized the impacts, risks, and opportunities based on the materiality assessment to focus on the most critical areas for Etteplan.

Finally, management validated the prioritized impacts, risks, and opportunities to ensure they aligned with Etteplan's sustainability goals and stakeholder expectations.

The in order to avoid assumptions, input parameters used in process to identify, assess and manage material impacts, risks and opportunities we considered the World Economic Forum risk report, adhered to EU regulations, and assessed the value chain without making any assumptions.

As part of the Double Materiality Assessment, Etteplan has evaluated its impacts, risks and

opportunities regarding E2 pollution, E3 water and marine resources, E4 biodiversity and E5 resource use and circular economy, based on the best available information in the organization and has engaged stakeholders in the process.

IRO-2 - DISCLOSURE REQUIREMENTS IN ESRS COVERED BY THE UNDERTAKING'S SUSTAINABILITY STATEMENT

We have listed all data points in content index which can be found at the end of the Sustainability Statement. We do not have data points derived from other EU legislation.

The list of ESRS Disclosure Requirements can be found in the ESRS Content index at the end of the Sustainability Statement.

Material information to be disclosed in relation to material impacts, risks and opportunities has been determined, for the reporting it was agreed to prioritize the topics with "Critical" Materiality Score (Financial or Impact Materiality Score ≥ 12).



List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint	SFDR (23) reference	Pillar 3 (24) reference	Benchmark Regulation (25) reference	EU Climate Law (26) reference	Material topic
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 (27) , Annex II		Is a material topic
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		Is a material topic
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				Is a material topic
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) 2022/2453 ^[28] Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Is a material topic
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		Is a material topic
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 ^[29] , Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Is a material topic
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		Is a material topic
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Is a material topic
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		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 12.1 (d) to (g), and Article 12.2		Is a material topic

Disclosure Requirement and related datapoint	SFDR (23) reference	Pillar 3 (24) reference	Benchmark Regulation (25) reference	EU Climate Law (26) reference	Material topic
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		Is a material topic
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				Is a material topic
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				Is a material topic
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				Is a material topic
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)		Is a material topic
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)		Is a material topic
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	
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		
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.			
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			

Disclosure Requirement and related datapoint	SFDR (23) reference	Pillar 3 (24) reference	Benchmark Regulation (25) reference	EU Climate Law (26) reference	Material topic
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		
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				
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				
ESRS E3-4 Total water consumption in m ³ per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				
ESRS 2- SBM 3 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				
ESRS 2- SBM 3 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				
ESRS 2- SBM 3 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				Is a material topic
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				Is a material topic

Disclosure Requirement and related datapoint	SFDR (23) reference	Pillar 3 (24) reference	Benchmark Regulation (25) reference	EU Climate Law (26) reference	Material topic
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				Is a material topic
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		Is a material topic
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				Is a material topic
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				Is a material topic
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				Is a material topic
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		
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				
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		Is a material topic
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				Is a material topic
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				Is a material topic
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		Is a material topic
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				Is a material topic
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex I				Is a material topic
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex I				Is a material topic

Disclosure Requirement and related datapoint	SFDR (23) reference	Pillar 3 (24) reference	Benchmark Regulation (25) reference	EU Climate Law (26) reference	Material topic
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)		Is a material topic
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		Is a material topic
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				Is a material topic
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				
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or 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)		
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				
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				
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)		
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				Is a material topic
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				Is a material topic
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)		Is a material topic
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				Is a material topic

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ENVIRONMENTAL INFORMATION

Reporting according to the EU taxonomy

The EU Taxonomy, a classification system for sustainable economic activities, is part of the EU's regulation for sustainable finance. The main objective of the EU taxonomy is to direct investments towards sustainable projects and activities.

The EU taxonomy is based on the EU regulation, which establishes six environmental objectives. Economic activities that contribute to any of these objectives without harming others can be considered environmentally sustainable. These environmental objectives are:

1. Climate change mitigation
2. Climate change adaptation
3. Sustainable use and protection of water and marine resources

4. Transition to a circular economy
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems

EU TAXONOMY-ELIGIBILITY AND TAXONOMY-ALIGNMENT

EU Taxonomy reporting starts with assessing a company's activities to determine if they are taxonomy-eligible. Then, the taxonomy-aligned portion of eligible business activities is determined, which meets the criteria set out in the Taxonomy Regulation for environmentally sustainable activities. The economic activity is taxonomy-aligned when it meets the following three criteria:

1. The economic activity significantly contributes to at least one of the six environmental objectives (Technical Screening Criteria or TSC criteria)
2. The economic activity does not significantly harm other environmental objectives (Do No Significant Harm or DNSH criteria)
3. The economic activity is carried out in accordance with minimum social safeguards (Minimum Social Safeguards or MSS criteria)

The European Commission has compiled a list of sustainable activities and defined Technical Screening Criteria (TSC) for each significant contribution to environmental objectives through Delegated Acts.

According to the principle of Do No Significant Harm (DNSH), economic activities that cause more harm than benefit to the environment cannot be considered sustainable.

Environmentally sustainable projects should also respect human rights and workers' rights and meet the criteria for minimum social safeguards (MSS). These criteria refer to specific international agreements that companies must adhere to in their operations.

REPORTING REQUIREMENTS FOR THE FINANCIAL YEAR 2024

In 2024, for the first time, both taxonomy eligibility and taxonomy alignment will be reported for all six environmental objectives. Previously, taxonomy eligibility and alignment were reported only for climate change mitigation and adaptation, while for the other environmental objectives, only taxonomy eligibility was reported.

ETTEPLAN'S APPROACH TO EU TAXONOMY REPORTING

Due to the nature of our operations, our direct emissions and thus our negative climate impact are minimal. Our most significant potential for the environment and mitigating climate change lies in developing our customers' business and solutions for them.

For the 2024 taxonomy reporting, the taxonomy eligibility of our service offerings was assessed based on our analysis conducted in 2023. For the first time in the 2024 taxonomy reporting, taxonomy alignment was evaluated for the environmental objectives in sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, as well as the protection and restoration of biodiversity and ecosystems.

The assessments were made both at the planning level and at the business unit level, including identifying taxonomy-eligible activities, reviewing all relevant business activities against Technical Screening Criteria (TSC) and Do No Significant Harm (DNSH) criteria for each environmental objective, and evaluating Minimum Social Safeguards (MSS) at the company level. The purpose of the process was to define taxonomy-eligibility and alignment and to collect evidence of the significance of the impact. The assessment was coordinated by a working group consisting of the director and expert responsible for sustainability, an expert in financial management, the director and expert responsible for services, and an external consultant.

As legislation evolves, we will continue to assess the need to develop Etteplan's customer assignments and financial performance monitoring to ensure that we can meet future reporting requirements as efficiently and accurately as possible.

ETTEPLAN'S TAXONOMY-ELIGIBILITY AND TAXONOMY-ALIGNMENT

For climate change related objectives, Etteplan has taxonomy-eligible activities that fall under the technical screening criteria as follows:

- Climate change mitigation:
 - 9.1 Close to market research, development, and innovation**
 - 9.3 Professional services related to energy performance of buildings**
- Climate change adaptation:
 - 8.2 Computer programming, consultancy and related activities**
 - 9.1 Engineering activities and related technical consultancy dedicated to adaptation to climate change**
 - 9.2 Close to market research, development, and innovation**

Etteplan's taxonomy-aligned activities for climate change mitigation under 9.1 and 9.3 include embedded services, testing services, technical documentation, and some mechanical design functions, electrical and automation design, and plant design.

Etteplan's taxonomy-eligible activities under climate change adaptation 8.2 and taxonomy-aligned activities under climate change adaptation 9.1 and 9.2 includes cloud and software development services, environmental impact

consulting, and technical, electrical and automation design services. These actions include research, applied research, and the development of products and services that aim to reduce greenhouse gas emissions in solutions, processes, technologies and business models or adapt them on climate change. We estimate that activities under climate change adaptation 8.2 Computer programming, consultancy and related activities do not fully meet the DNSH criteria.

For other environmental objectives, Etteplan has taxonomy-eligible activities that fall under the technical screening criteria as follows:

- Sustainable use and protection of water and marine resources:

4.1 Provision of IT/OT data-driven solutions

- Transition to a circular economy:

4.1 Provision of IT/OT data-driven solutions

Etteplan's taxonomy-aligned activity in the sustainable use and protection of water and marine resources 4.1 include IT software services for the management of water supply assets.

Etteplan's taxonomy-aligned activities in circular economy category 4.1 includes IT software services and process automation solutions for various circular economy projects.

MINIMUM SOCIAL SAFEGUARDS

The minimum social safeguards criteria (MSS criteria) were reviewed at the group level. Etteplan utilized external experts to support the assessment. Etteplan meets the taxonomy's social minimum safeguard criteria, which cover human rights, corruption and bribery, taxation and fair competition. Each topic has been examined from a dual perspective: existence of processes and addressing violations.

Human Rights

Etteplan has included the principles of social minimum safeguards Code of Conduct and Supplier Code of Conduct. These policies include OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights and International Labour Organization (ILO) Conventions. Etteplan is committed to following these principles.

In 2024, Etteplan developed its human rights due diligence process aimed at identifying, preventing, mitigating, and addressing negative human rights impacts in accordance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

Corruption and Bribery

Etteplan's principles for preventing corruption and bribery are outlined in the Code of Conduct. As preventive measures, mandatory eLearning

training is implemented for personnel and a Whistleblowing tool for anonymous reports is offered to internal and external stakeholders. A process has been created for handling anonymous reports and responsible people have been appointed to handle the reports. In accordance with Etteplan's procurement guidelines, procurements are approved according to the one-over-one principle and, depending on the size of the procurement, the approval of several members of the management team is required for the procurement.

Taxation

Etteplan pays taxes on its profits in all countries in which it operates. Etteplan does not have a separate tax planning strategy or tax policy, instead the company's Code of Conduct includes the principle of legality, which also applies to taxation. At Etteplan, taxation-related matters are the responsibility of the Group's CFO and the CFOs in the countries in which it operates. Etteplan cooperates openly with tax authorities.

Fair Competition

Etteplan's principles of fair competition are outlined in the Code of Conduct, which provides guidelines for dealing with unclear situations. As preventive measures, mandatory eLearning training is implemented for personnel and a Whistleblowing tool for anonymous reports is offered to internal and external stakeholders.

CHANGES COMPARED TO THE PREVIOUS REPORTING PERIOD

The share of taxonomy-eligible and aligned activities have been reviewed and activities related to defense, aerospace, forestry, chemical production and mining and metal industries have been removed. We estimate that activities under climate change adaptation 8.2 Computer programming, consultancy and related activities do not fully meet the DNSH criteria.

ACCOUNTING POLICY FOR KEY PERFORMANCE INDICATORS FOR EU TAXONOMY

Taxonomy-eligible and taxonomy-aligned turnover, capital expenditure, and operating expenditure are calculated only once, even though some activities within the taxonomy may belong to multiple taxonomy categories. Non-financial undertakings shall also report the extent of eligibility and alignment per environmental objective, that includes alignment with each of environmental objectives for activities contributing substantially to several objectives.

KPI related to turnover (Turnover)

Taxonomy-eligible and taxonomy-aligned turnover is reported in relation to Etteplan's total turnover. The numerator includes the estimated total turnover of taxonomy-eligible and taxonomy-aligned products and services, and the denominator includes the total turnover reported in Etteplan's 2024 financial

statements. The taxonomy-aligned turnover was estimated by service, and it represents only sales to external customers. Etteplan's taxonomy-aligned turnover is 49,8 percent.

KPI related to capital expenditure (CapEx)

Taxonomy-eligible and taxonomy-aligned capital expenditure is reported in relation to all Etteplan's capital expenditures. The numerator includes capital expenditures related to taxonomy-aligned economic activities, and the denominator includes total capital expenditures. 4,1 percent of capital expenditures are taxonomy-eligible and 73,4 percent are taxonomy-aligned. These actions include, for example, acquisitions, property improvements and research and development projects, as they support the transition to a low-carbon economy for the value chain.

KPI related to operating expenditure (OpEx)

The operational expenditures described by the Taxonomy Regulation consist of, for example, development costs and improvements in the energy efficiency of buildings. Taxonomy-eligible operational expenditures are reported in accordance with the definitions set forth in the delegated regulation on data disclosure. Etteplan's management team has determined that information regarding operational expenditures are financially immaterial, as there have been no significant operational expenditures related to our business model during the reporting period. Therefore, Etteplan will not report operational expenditures in accordance with the Taxonomy Regulation for the year 2024, and the amount of our taxonomy-eligible and taxonomy-compliant operational expenditures is 0 percent.

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024	2024			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")							Proportion of Taxonomy- aligned (A.1.) or -eligible (A.2.) turnover, year 2023	Category enabling activity	Category transitional activity
Economic Activities	Code	Turnover	Proportion of Turnover, year 2024	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards			
		k€	%	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)																			
Close to market research, development and innovation	CCM 9.1, CCA 9.2	168,666	46.7%	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	61.8%	E	
Professional services related to energy performance of buildings	CCM 9.3	2,341	0.6%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.2%	E	
Engineering activities and related technical consultancy dedicated to adaptation to climate change	CCA 9.1	1,161	0.3%	N/EL	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.2%	E	
Provision of IT/OT data-driven solutions for leakage reduction	WTR 4.1	1,792	0.5%	N/EL	N/EL	Y	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.3%	E	
Provision of IT/OT data-driven solutions	CE 4.1	5,849	1.6%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	1.6%	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		179,808	49.8%	47.4%	0.3%	0%	0%	2%	0%	Y	Y	Y	Y	Y	Y	Y	64.2%		
Of which enabling		179,808	49.8%	47.4%	0.3%	0%	0%	2%	0%	Y	Y	Y	Y	Y	Y	Y	64.2%	E	
Of which transitional		0	0%	0						Y	Y	Y	Y	Y	Y	Y	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										
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		179,808	49.8%	47.4%	0.3%	0.5%	0%	1.6%	0%								64.2%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		181,212	50.2%																
Total		361,020	100%																

The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:

- Climate Change Mitigation: CCM
- Climate Change Adaptation: CCA
- Water and Marine Resources: WTR
- Circular Economy: CE
- Pollution Prevention and Control: PPC
- Biodiversity and ecosystems: BIO

Abbreviations:

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
 N/EL - Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective
 EL - Taxonomy-eligible activity for the relevant objective
 N/EL - Taxonomy-non-eligible activity for the relevant objective

Turnover - Close to market research, development and innovation (CCM 9.1, CCA 9.2)

	Proportion of turnover / Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	44.6%	44.6%
CCA	2.1%	2.1%
WTR	N/EL	N/EL
CE	N/EL	N/EL
PPC	N/EL	N/EL
BIO	N/EL	N/EL

N/EL - Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024	2024			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")							Proportion of Taxonomy- aligned (A.1.) or -eligible (A.2.) CapEx, year 2023	Category enabling activity	Category transitional activity
Economic Activities	Code	CapEx	Proportion of CapEx, year 2024	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards			
		k€	%	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)																			
Close to market research, development and innovation	CCM 9.1, CCA 9.2	20,976	71.8%	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	47.4%	E	
Professional services related to energy performance of buildings	CCM 9.3	130	0.4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1%	E	
Engineering activities and related technical consultancy dedicated to adaptation to climate change	CCA 9.1	35	0.1%	N/EL	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1%	E	
Provision of IT/OT data-driven solutions for leakage reduction	WTR 4.1	33	0.1%	N/EL	N/EL	Y	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.02%	E	
Provision of IT/OT data-driven solutions	CE 4.1	267	0.9%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	0.8%	E	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		21,440	73.4%	72.2%	0.1%	0.1%	0%	0.9%	0%	Y	Y	Y	Y	Y	Y	Y	48.4%		
Of which enabling		21,440	73.4%	72.2%	0.1%	0.1%	0%	0.9%	0%	Y	Y	Y	Y	Y	Y	Y	48.4%	E	
Of which transitional		0	0%	0%						Y	Y	Y	Y	Y	Y	Y	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										
Computer programming, consultancy and related activities	CCA 8.2	1,193	4.1%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								2.8%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1,193	4.1%	0%	4.1%	0%	0%	0.0%	0%								2.8%		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		22,632	77.5%	72.2%	4.2%	0.1%	0%	0.9%	0%								51.2%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		6,584	22.5%																
TOTAL		29,216	100%																

The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:

- Climate Change Mitigation: CCM
- Climate Change Adaptation: CCA
- Water and Marine Resources: WTR
- Circular Economy: CE
- Pollution Prevention and Control: PPC
- Biodiversity and ecosystems: BIO

Abbreviations:

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
 N/EL - Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective
 EL - Taxonomy-eligible activity for the relevant objective
 N/EL - Taxonomy-non-eligible activity for the relevant objective

CapEx - Close to market research, development and innovation (CCM 9.1, CCA 9.2)

	Proportion of CapEx / Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	70.5%	70.5%
CCA	1.3%	1.3%
WTR	N/EL	N/EL
CE	N/EL	N/EL
PPC	N/EL	N/EL
BIO	N/EL	N/EL

N/EL - Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2023	2024			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")							Proportion of Taxonomy- aligned (A.1.) or -eligible (A.2.) OpEx, year 2023	Category enabling activity	Category transitional activity
Economic Activities	Code	OpEx	Proportion of OpEx, year 2024	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards			
		k€	%	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)																			
Close to market research, development and innovation	CCM 9.1, CCA 9.2	N/A	N/A	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	N/A	E	
Professional services related to energy performance of buildings	CCM 9.3	N/A	N/A	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	N/A	E	
Engineering activities and related technical consultancy dedicated to adaptation to climate change	CCA 9.1	N/A	N/A	N/EL	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	N/A	E	
Provision of IT/OT data-driven solutions for leakage reduction	WTR 4.1	N/A	N/A	N/EL	N/EL	Y	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	N/A	E	
Provision of IT/OT data-driven solutions	CE 4.1	N/A	N/A	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	N/A	E	
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Y	Y	Y	Y	Y	Y	Y	N/A		
Of which enabling		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Y	Y	Y	Y	Y	Y	Y	N/A	E	
Of which transitional		N/A	N/A	N/A						Y	Y	Y	Y	Y	Y	Y	N/A		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										
Computer programming, consultancy and related activities	CCA 8.2	N/A	N/A	N/EL	EL	N/EL	N/EL	N/EL	N/EL								N/A		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A								N/A		
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A								N/A		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		N/A	N/A																
TOTAL		0	100%																

The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:

- Climate Change Mitigation: CCM
- Climate Change Adaptation: CCA
- Water and Marine Resources: WTR
- Circular Economy: CE
- Pollution Prevention and Control: PPC
- Biodiversity and ecosystems: BIO

Abbreviations:

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
 N/EL - Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective
 EL - Taxonomy-eligible activity for the relevant objective
 N/EL - Taxonomy-non-eligible activity for the relevant objective

OpEx - Close to market research, development and innovation (CCM 9.1, CCA 9.2)

	Proportion of OpEx / Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	N/A	N/A
CCA	N/A	N/A
WTR	N/EL	N/EL
CE	N/EL	N/EL
PPC	N/EL	N/EL
BIO	N/EL	N/EL

N/EL - Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective

Nuclear and fossil gas related activities**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



ENVIRONMENTAL INFORMATION

ESRS E1 Climate change

Governance

ESRS 2 GOV-3 INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

Climate-related considerations were not factored into the remuneration of Etteplan's administrative, management, or supervisory bodies, and their performance was not assessed against GHG emission reduction targets (as reported under Disclosure Requirement E1-4).

The percentage of remunerations linked to climate-related considerations was 0%. The recognized remunerations were not tied to any climate-related factors.

No climate-related considerations were factored into the remuneration of members of the administrative, management, and supervisory bodies.

E1-1 – TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION

Etteplan is committed to climate change mitigation and has developed a comprehensive transition plan to align its strategy and business model with a sustainable economy. This plan adheres to the Paris Agreement's goal of limiting global warming to 1.5°C.

The transition plan includes greenhouse gas (GHG) emission reduction targets and actions integrated into Etteplan's business strategy. The company aims to reduce its Scope 1-3 emissions by 42% by 2030, compared to 2022 levels. Measures focus on energy consumption in offices, employee commuting, business travel, and purchased goods and services. The plan is reviewed annually by the ESG Steering Group and updated based on progress.

In 2024, Etteplan did not invest in coal, oil, or gas-related activities. The company promotes low-carbon procurement and business travel. We also aim to increase the share of taxonomy-eligible and taxonomy-aligned revenue in its total revenue. By integrating GHG emission reduction targets and climate change mitigation actions into its business strategy, Etteplan is well-positioned to transition to a sustainable economy and meet the requirements of the European Climate Law. The actions and targets

for climate change mitigation are described in more detail in sections E1-4 and E1-3.

Etteplan acknowledges that sectoral pathways have not yet been defined by public policies for all sectors. Therefore, the disclosure on the compatibility of our transition plan with the objective of limiting global warming to 1.5°C is understood as the disclosure of our GHG emissions reduction target. This target is benchmarked in relation to a pathway to 1.5°C, based on either a sectoral decarbonisation pathway if available for our sector or an economy-wide scenario, bearing in mind its limitations.

Etteplan aims to reduce its Scope 1-3 emissions by 42% by 2030, compared to the base year of 2022. This target is aligned with the Science-Based Targets initiative (SBTi) pathway and is based on a Double Materiality assessment conducted in 2023, which identified climate change as a material topic. The plan includes measures targeting energy consumption in offices, employee commuting, business travel, and purchased goods and services. These actions were identified during an internal workshop held in October 2024 and are designed to reduce GHG emissions in line with the SBTi pathway.

Etteplan's climate transition plan demonstrates our commitment to achieving climate neutrality and contributing to the global effort to limit global warming to 1.5°C. By integrating GHG emission reduction targets and climate change mitigation

actions into our business strategy, Etteplan is positioned to transition to a sustainable economy and meet the requirements of the European Climate Law.

Etteplan is committed to achieving its GHG emissions reduction targets and implementing climate change mitigation actions as required by Disclosure Requirement E1-4 and E1-3. Our transition plan outlines the decarbonisation levers identified and the key actions planned, including changes in our product and service portfolio and the adoption of new technologies in our operations and value chain.

The key decarbonisation levers identified include the reduction of energy consumption in offices, promotion of low-carbon transport modes for employee commuting, promotion of low-carbon business travel, and promotion of low-carbon procurement. Specific actions include, for example, switching office lights to LEDs, implementing a procurement strategy to ensure 50% of all fuels used for business travel flights are bio-based, and preferring suppliers committed to reducing their carbon footprint. Additionally, Etteplan plans to adopt new technologies such as automated LED lights and optimized ventilation systems in its offices to further reduce energy consumption.

Etteplan has estimated operational expenditures (OpEx) and capital expenditures (CapEx) required to support these mitigation actions. Increasing the

number of low-emission vehicles does not require specific CapEx, but resources will be allocated to ensure that all cars in the company's use are zero-emission by 2030. The use of certified green energy is already in use in some offices, the additional use of certified green energy requires an estimated OpEx ranging from EUR 291 to 1,973 annually. The reduction of office energy consumption does not require specific CapEx, but optimizing office space and building technology may create cost savings in the long run. The promotion of low-carbon procurement (products and services) does not require specific CapEx, but resources will be allocated to ensure implementation by 2030. The promotion of low-carbon business travel requires an estimated OpEx of EUR 39,200 annually. The promotion of low-carbon transport modes for employee commuting does not require specific CapEx, but resources will be allocated to ensure implementation by 2030.

Etteplan's transition plan aligns with the EU's Taxonomy Regulation, which requires the disclosure of key performance indicators (KPIs) for taxonomy-aligned CapEx. Taxonomy-aligned activities for climate change mitigation include embedded services, testing services, technical documentation, and some mechanical design functions. Taxonomy-aligned activities for climate change adaptation include cloud and software development services, environmental impact consulting, and electrical and automation design services.

We have conducted a qualitative assessment of the potential locked-in greenhouse gas (GHG) emissions from Etteplan's key assets and products. According to the assessment, there are no identified locked-in GHG emissions or energy-intensive assets or products related to Etteplan's operations in Finland and Sweden. Additionally, there are no planned key assets that would be deployed in the coming years that could jeopardize the achievement of the GHG emission reduction targets.

Etteplan's current operations and planned future developments do not pose a risk to the company's GHG emission reduction targets. This assessment helps mitigate transition risks, ensuring that Etteplan remains on track to achieve its climate goals. The absence of locked-in emissions and energy-intensive assets means that Etteplan does not face significant challenges in managing its GHG-intensive and energy-intensive assets and products.

In the Transition Plan we outline Etteplan's objectives and plans for aligning its economic activities with the criteria established in Commission Delegated Regulation 2021/2139. The plan emphasizes the importance of aligning revenues, capital expenditures (CapEx), and operational expenditures (OpEx) with the EU Taxonomy criteria to ensure sustainable economic activities.

Etteplan has set a goal to increase the share of taxonomy-eligible and taxonomy-aligned revenue

in its total revenue. This goal is monitored annually, and changes in the company's service offering are strongly linked to customer demand. The company responds to the demand-driven need for customers' taxonomy-eligible and taxonomy-aligned expert services.

In terms of CapEx, the plan indicates that there are no specific financial resources allocated to the action plan in terms of CapEx requirements for the identified climate change mitigation actions. Instead, the required resources will be allocated to ensure the implementation of measures such as increasing the number of low-emission vehicles, using certified green energy, reducing office energy consumption, promoting low-carbon procurement, and promoting low-carbon transport modes for employee commuting by 2030.

Etteplan's taxonomy-aligned activities for climate change mitigation include embedded services, testing services, technical documentation, and some mechanical design functions. For climate change adaptation, the company's taxonomy-aligned activities include cloud and software development services, environmental impact consulting, and electrical and automation design services. These actions include research, applied research, and the development of products and services that aim to reduce, avoid, or remove greenhouse gas emissions in solutions, processes, technologies, and business models.

The plan also highlights that Etteplan has not invested in coal, oil, or gas-related economic activities during the financial year 2024. Etteplan's transition plan is aligned with its overall business strategy and financial planning, ensuring that sustainability efforts are thoroughly embedded in its operations and contribute positively to the environment and society.

Etteplan is not excluded from the EU Paris-aligned Benchmarks (PAB) as it meets the inclusion criteria. Etteplan is not involved in activities incompatible with the Paris Agreement's climate goals, such as heavy reliance on fossil fuels or the absence of a credible decarbonization strategy.

Sustainability is identified as one of the most important megatrends affecting Etteplan's operations, and the transition plan for climate change mitigation is a key component of the company's sustainability agenda. The emission reduction targets are approved by the Management Group and the Board of Directors, and presented on Etteplan's web pages alongside other ESG goals. The company's Code of Conduct is integrated into introductory training, and efforts are made to develop sustainability knowledge and understanding among all employees to incorporate the sustainability approach into daily operations.

Etteplan's sustainability efforts are targeted towards the countries where the company operates,

ensuring that operations contribute positively to the environment and society. The elements of the transition plan are aligned with Etteplan's overall business strategy and financial planning. The transition plan for climate change mitigation is incorporated into the company's strategy approved by the Board, the long-term investment plan, and annual operational plans through the implementation of the Annual clock. These elements are also part of the Sustainability Agenda. The content of the transition plan is reviewed annually by the ESG Steering Group and updated to reflect the current progress of implementation. The list of mitigation actions is updated and complemented if needed to ensure alignment with the climate targets.

Opportunities and risks created by the transition to a sustainable economy have been identified in a climate scenario workshop held in December 2022 and in accordance with the double materiality assessment. Identified transition risks relate to the costs and availability of financing due to sustainability requirements and risks in new markets (e.g., Asian operations and risks in coastal areas). Transition opportunities were also identified, relating to business opportunities for green technologies and electrification.

Etteplan has conducted a screening process to identify assets and business activities that may be exposed to transition events. By identifying these exposures, Etteplan aims to better understand

transition risks and opportunities, enabling the company to implement appropriate measures to adapt and ensure resilience in its operations and strategic planning.

The plan was developed through a comprehensive process that included a project kick-off meeting in August 2024, an internal workshop in October 2024, and Management Group decisions on GHG topics in November 2024. The internal commenting period was from November to December 2024, and the transition plan was officially approved by the Etteplan Management Group in December 2024.

Key actions for climate change mitigation identified in the workshop include reducing office energy consumption, promoting low-carbon transport modes, promoting low-carbon business travel, and promoting low-carbon procurement. The impact on greenhouse gas (GHG) emissions was assessed for these measures, and the results were analysed against Etteplan's emission reduction target of 42% by 2030, compared to the base year of 2022. The analysis showed that the measures identified in the Workshop pathway were insufficient to achieve the target, leading to the development of the Scenario pathway, which includes additional measures and increased ambition levels.

ESRS 2 SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

Etteplan has identified four different material climate-related risks. Below is a breakdown of these risks into climate-related physical risks and climate-related transition risks.

Climate-related physical risks:

- Extreme weather conditions leading to local damages in the coastal areas and in China
- Climate-related transition risks:
- Sustainability requirements impacting cost and availability of financing
 - Compliance costs
 - Risks in new markets e.g. in Asian operations and risks in coastal areas

A formal resilience analysis has not yet been conducted; however, a comprehensive climate risk assessment was completed in December 2022 during a Climate Scenario Workshop. The purpose of the workshop was to identify and evaluate climate-related risks and opportunities relevant to Etteplan's operations. The assessment involved identifying physical and transition climate-related risks and opportunities through scenario analysis, evaluating their potential impacts, and defining actionable measures to manage or adapt to the identified challenges and opportunities. This structured approach reflects Etteplan's commitment

to addressing climate-related issues strategically and proactively.

Scenario analysis entailed developing distinct climate scenarios, each reflecting specific assumptions about future climate conditions, including varying levels of greenhouse gas emissions, policy responses, and technological advancements. This approach aimed to examine potential outcomes under diverse conditions, offering a comprehensive understanding of the risks and opportunities posed by climate change in the context of Etteplan's operations.

The impact assessment focused on evaluating the potential effects of identified risks and opportunities, taking into account their financial implications, significance, and time horizon. Financial impacts were categorized as small (0-1%), medium (3-5%), or high (10-20%), while the time horizon was classified into short-term (1-2 years), medium-term (3-5 years), and long-term (10-20 years). In addition to assessing impact size, probabilities (unlikely, likely, or probable) were estimated, and the overall impact was determined as a combination of size and likelihood. The assessment considered risks and opportunities related to temperature, wind, water, and solid mass. The results of the assessment underscore the importance of understanding climate-related impacts and provide a foundation for developing effective adaptation and mitigation strategies.

The climate risk assessment highlighted the importance of aligning Etteplan's strategy and business model with the evolving challenges and opportunities posed by climate change. Key actions identified as essential for effective risk management included the development of contingency plans to systematically review and mitigate risks, fostering adequate expertise to sustain and advance future digital business operations, and ensuring continuous product and service innovation. These measures were deemed critical for addressing both physical and transition climate-related risks and opportunities, reinforcing Etteplan's commitment to proactive and adaptive climate strategies.

Impact, risk and opportunity management

ESRS 2 IRO-1 - DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL CLIMATE-RELATED IMPACTS, RISKS AND OPPORTUNITIES

Etteplan has assessed its climate related negative impacts by calculating its greenhouse gas emissions. Please see section E1-6.

Etteplan's materiality analysis process is described in chapter ESRS 2 IRO 1, and climate change has been included as part of it. Etteplan has also conducted a climate risk assessment. When assessing climate-related physical risks several different climate scenarios have been considered, including 1.5°C (based on the IPCC 2022 climate model RCP 2.6) and 3.7°C (based on the IPCC 2022 climate model RCP 8.5). The climate risk assessment has focused solely on Etteplan's own operations. The assessment was conducted through a workshop held in December 2022.

Climate-related hazards and risks were identified and assessed over the short, medium, and long term.

Etteplan's Climate Scenario Workshop examined climate-related hazards by country and continent, focusing on regions where these may impact business operations (e.g., coastal areas and China). In identifying climate-related hazards and conducting the assessment, the IPCC SSP5-8.5 high emission climate scenarios were used.

Etteplan has used climate-related scenario analysis to identify and assess physical risks across defined time horizons: short-term (1-2 years), medium-term (3-5 years), and long-term (10-20 years). The analysis considered various climate scenarios based on the IPCC 2022 climate models: a 1.5°C warming scenario (aligned with RCP 2.6) and a 3.7°C warming scenario (aligned with RCP 8.5). These scenarios provide a range of potential climate futures, enabling the company to evaluate how different levels of global temperature increase might impact its operations. The assessment process, which focused on Etteplan's own operations, was carried out through a dedicated workshop in December 2022. This structured approach allowed the company to evaluate potential physical risks systematically and align their planning with specific time horizons.

The Climate Scenario Workshop in December 2022 to systematically identified and evaluated climate-related transition risks and opportunities relevant



to its operations. The process involved identifying transition risks and opportunities using scenario analysis, which considered different potential future conditions related to climate change. These identified risks and opportunities were then evaluated based on their potential impacts, including financial implications, significance, and time horizons. Following this, specific measures were defined to manage or adapt to the identified challenges and opportunities, ensuring alignment with Etteplan's strategic priorities. This structured approach provided a comprehensive understanding of how climate change might influence Etteplan's operations under various scenarios. By evaluating these risks and opportunities, Etteplan demonstrated its commitment to proactively addressing the challenges posed by climate-related transitions.

Etteplan has identified transition events across short-, medium-, and long-term time horizons to effectively address and adapt to climate-related changes. In the short term (1-2 years), transition events focus on technological advancements such as the adoption of lower-emission energy sources and shifts in market dynamics, including changes in consumer preferences and buying behavior. Over the medium term (3-5 years), the emphasis shifts to emerging policy and legal requirements, such as carbon pricing and sustainability regulations, alongside the development of new low-emission products and services. In the long term (10-20

years), transition events include continued innovation in products and services to meet evolving market demands and enhanced reputation management driven by increasing awareness of climate-adaptable services. These defined time horizons enable Etteplan to strategically plan and implement measures that mitigate risks and leverage opportunities associated with climate transition events.

Etteplan has assessed the extent to which its business activities may be exposed to and sensitive to identified transition events. This evaluation considered the likelihood, magnitude, and duration of these events, alongside the associated risks and opportunities. The potential impacts of these risks and opportunities were analyzed, taking into account their financial implications, significance, and time horizons relevant to Etteplan's business operations.

Etteplan's identification of transition events and assessment of exposure have been informed by climate-related scenario analysis. This approach ensures that the evaluation of potential risks and opportunities is grounded in robust and diverse climate scenarios, enabling the company to anticipate and prepare for a range of possible future conditions. By leveraging scenario analysis, Etteplan has gained valuable insights into the potential impacts of transition events, such as regulatory changes, market dynamics, and technological advancements, across operations and value chain.

This method supports strategic decision-making and enhances the company's ability to manage climate-related risks while identifying opportunities for innovation and growth.

Based on the conducted climate risk assessment, Etteplan does not have assets or business activities that require significant efforts to become compatible with the transition to a climate-neutral economy.

Etteplan has utilized climate-related scenario analysis to identify and assess transition risks and opportunities across short-, medium-, and long-term time horizons. This approach involved considering different potential climate scenarios, such as regulatory changes, technological advancements, and market shifts, which may affect Etteplan's operations. By evaluating transition events within these defined time horizons—short-term (1-2 years), medium-term (3-5 years), and long-term (10-20 years)—Etteplan has been able to anticipate the potential impacts of climate change on its business activities. The analysis considers various factors, including the likelihood, magnitude, and duration of these transition events, as well as their financial implications, significance, and relevance to Etteplan's operational strategy.

In 2024, we have laid the foundation for integrating climate scenario analysis into our processes. As part of our ongoing commitment to enhancing

climate-related assessments, we plan to conduct a more comprehensive climate scenario analysis in 2025. This will enable us to evaluate and explain, in greater detail, how the climate scenarios align with the critical climate-related assumptions made in our financial statements.

E1-2 – POLICIES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

For information on Policies in place to manage its material impacts, risks and opportunities related to climate change mitigation and adaptation, and Sustainability matters addressed by policy for climate change, please refer to the disclosure in E1.

We are in the process of formalizing an official Climate Policy, and we have already demonstrated our commitment to environmental and climate responsibility through actions such as aligning with the UN Global Compact, our own Sustainability Agenda, and the ISO 14001 Environmental Management standard, which is implemented across Finland, Sweden, Poland, and the standard is followed by the entire Etteplan organization. Environmental targets under ISO 14001 are reviewed and approved annually by the Management Group to ensure continuous improvement.

In 2024, we have already completed a Climate Transition Plan and Carbon Footprint calculation. We

are actively working towards developing a Climate Policy that will further integrate climate change mitigation into our operations. While we continue to strengthen our approach, we are proud of the progress made so far and remain dedicated to advancing our climate-related initiatives in the near future.

E1-3 – ACTIONS AND RESOURCES IN RELATION TO CLIMATE CHANGE POLICIES

We are committed to preparing for the mandatory corporate sustainability reporting (CSRD) according to EU regulations. Our climate transition plan outlines several actions and resources dedicated to climate change mitigation, with specific time horizons for each key action.

Energy Consumption in Offices:

- Aim to switch from fluorescent lights to LEDs starting from 2025
- Prefer landlords with green energy certificates from 2025
- Optimize building technology (automated LED lights and ventilation systems) starting from 2025
- Continuously optimize the use of office space from 2023 onwards

Employee Commuting:

- Encourage hybrid work culture to avoid unnecessary commuting

- Offer cycling benefits to employees continuously
- Discuss with landlords to install charging stations for electric vehicles from 2025 onwards

Business Travel:

- Implement a operating model to ensure 50% of all fuels used for business travel flights are bio-based by 2025
- Develop global business travel policy, encouraging booking hotels with eco certificate starting from 2025

Purchased Goods and Services:

- Prefer suppliers committed to reducing their carbon footprint
- Continue to promote the purchase of eco-certified products from 2026
- Inquire supplier-specific emission data to improve emission inventory accuracy starting from 2025
- Conduct a life cycle assessment to improve tracking emissions of own products starting in 2025

Resource Allocation:

- Aim to ensure cars in use are zero-emission by 2030
- Aim to ensure energy used in offices is certified green energy by 2030
- Invest in optimizing office space and building technology for long-term savings

- Aim to ensure implementation of low-carbon procurement practices by 2030
- Aim to implement operating model for bio-based fuels for business travel flights by 2030
- Promote low-carbon employee commuting more accessible, including bike benefits, charging stations for electric cars, and hybrid work possibilities by 2030

Financial Resources:

- Estimated operational expenditure (OpEx) for promoting low-carbon business travel: EUR 39,200 annually
- The use of certified green energy is already in use in most offices, the additional use to certified green energy requires an estimated OpEx ranging from EUR 291 to 1,973 annually
- Transition plan does not include planned investments (CapEx) for achieving GHG reductions but mentions resource allocation to ensure implementation by 2030

These actions and resources are part of Etteplan's broader strategy to achieve climate neutrality and align with the Paris Agreement's goal of limiting global temperature rise to 1.5°C.

Etteplan's transition plan outlines the decarbonisation levers identified and the key actions planned, including changes in our product and service portfolio and the adoption of new technologies in our operations and value

chain. The transition plan primarily focuses on technological and operational measures to reduce greenhouse gas emissions, does not cover nature-based solutions.

The key decarbonisation levers identified include the reduction of energy consumption in offices, promotion of low-carbon transport modes for employee commuting, promotion of low-carbon business travel, and promotion of low-carbon procurement. Specific actions include, for example, switching office lights to LEDs, implementing a operating model to ensure 50% of all fuels used for business travel flights are bio-based, and preferring suppliers committed to reducing their carbon footprint. Additionally, Etteplan plans to adopt new technologies such as automated LED lights and optimized ventilation systems in its offices to further reduce energy consumption.

As the outcome of the actions for climate change mitigation, Etteplan has reduced energy consumption in our offices, from switched from fluorescent lights to LEDs in some offices, contributing to achieving GHG emissions reduction of 229 tCO₂e. Additionally, we have continuously promoted a hybrid work culture and low-carbon transport modes, resulting in a reduction of 1,106 tCO₂e. Furthermore, we have implemented measures to switch combustion engine cars to electric cars, leading to a reduction of 62 tCO₂e.

In terms of expected GHG emission reductions, the measures identified in the internal workshop and the additional scenario pathway are expected to achieve significant reductions. For example, switching the offices' lights to LEDs is expected to result in an emission reduction of 37.8 tCO₂e, implementing a procurement strategy to ensure that 50% of all fuels used for business travel flights are bio-based is expected to lead to an emission reduction of 59.7 tCO₂e, purchasing low-carbon products is expected to achieve an emission reduction of 32.1 tCO₂e, and purchasing low-carbon services is expected to result in an emission reduction of 345.4 tCO₂e. These measures are expected to collectively contribute to our overall GHG emission reductions, helping us move closer to our target of reducing emissions by 42% by 2030.

Etteplan's transition plan provides an explanation of the extent to which the ability to implement the action plan depends on the availability and allocation of resources. The plan emphasizes that the successful implementation of the transition plan is contingent upon the availability and allocation of financial resources. Ongoing access to finance at an affordable cost of capital is critical for the implementation of the actions outlined in the plan. This includes adjustments to supply and demand changes, related acquisitions, and significant research and development (R&D) investments.

The significant monetary amounts of CapEx and OpEx required to implement the actions taken or planned are related to the relevant line items or notes in the financial statements are for example, the estimated OpEx required for the use of certified green energy ranges from EUR 291 to 1,973 annually, and the promotion of low-carbon business travel requires an estimated OpEx of EUR 39,200 annually.

The taxonomy-aligned activities for climate change mitigation required under Commission Delegated Regulation (EU) 2021/2178, include embedded services, testing services, technical documentation, and some mechanical design functions. For climate change adaptation, the taxonomy-aligned activities include cloud and software development services, environmental impact consulting, and electrical and automation design services.

There are no specific CapEx requirements for the identified climate change mitigation actions. Instead, the required resources will be allocated to ensure the implementation of measures such as increasing the number of low-emission vehicles, using certified green energy, reducing office energy consumption, promoting low-carbon procurement, and promoting low-carbon transport modes for employee commuting by 2030.

Etteplan's Climate Transition Plan outlines several key actions to achieve its objectives. These actions cover a wide scope, including activities, the

upstream and downstream value chain, geographies, and affected stakeholder groups.

- **Activities:** The key actions target various activities within Etteplan's operations, including energy consumption in offices, employee commuting, business travel, and procurement of goods and services
 - **Upstream and Downstream Value Chain:** The plan addresses both upstream and downstream value chains. Upstream actions include promoting low-carbon procurement by preferring suppliers committed to reducing their carbon footprint and purchasing eco-certified products. Downstream actions involve optimizing the use of services and promoting low-carbon transport modes for employee commuting
 - **Geographies:** The initial focus of the transition plan is on Etteplan's operations in Finland and Sweden, with future plans to include global operations
 - **Affected Stakeholder Groups:** The key actions impact various stakeholder groups, including employees, suppliers, and customers. For example, promoting remote working and offering incentives for low-carbon commuting options directly affect employees, while low-carbon procurement practices impact suppliers
- By implementing these key actions, Etteplan aims to achieve its GHG emission reduction targets and contribute to the global effort to limit global warming to 1.5°C.

Metrics and targets

E1-4 - TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

Etteplan is committed to advancing sustainability through clearly defined, measurable, and time-bound targets. These targets address material sustainability matters and serve as indicators of our progress toward a more sustainable future. Currently, Etteplan does not have an official Climate Policy or defined policy objectives. Instead, the targets disclosed in this section are derived from our Transition Plan, which forms the foundation of our climate efforts.

The plan reflects our commitment to climate action and provides a roadmap for achieving key milestones in areas such as reducing emissions, improving energy efficiency, and aligning operations with global sustainability goals. As our Transition Plan evolves and we develop an official Climate Policy, we will refine these targets further to ensure alignment with long-term policy objectives and sustainability frameworks.

Etteplan has actively involved stakeholders in the target-setting process for each material sustainability matter. In 2023, we conducted a Double Materiality Assessment (DMA), which identified climate change as one of the key material topics. This assessment involved various

stakeholders to ensure that the targets set were comprehensive and aligned with our sustainability goals.

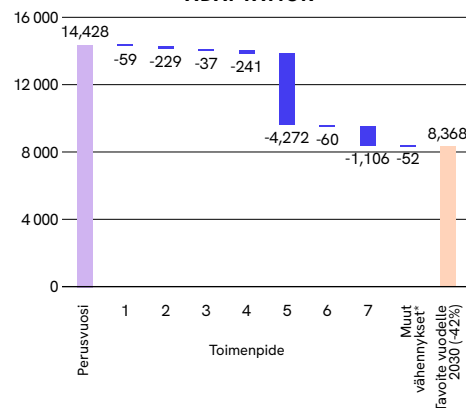
To achieve these targets, Etteplan has identified several key actions, including the reduction of office energy consumption, promotion of low-carbon transport modes, promotion of low-carbon business travel, and promotion of low-carbon procurement. The company plans to use certified green energy, optimize building technology, and improve data collection on electricity and heating consumption to enhance energy efficiency. Additionally, Etteplan aims to promote hybrid work culture, offer cycling benefits, and install charging stations for electric vehicles to encourage low-carbon transport.

Based on the recommendation of ESG Steering Group, Group Management decided to have Carbon footprint calculation 2024 of Etteplan Finland Oy and Etteplan Sweden AB. The Group Management decided also to widen the calculation to cover Poland, Germany and the Netherlands but with a limited amount of information. In those three countries the calculation is based on the number of employees, number of offices, space of offices (square meters), Etteplan's cars and leased cars and estimations of average energy usage mix in those countries. There are limitations to be able to have wider information at this stage from those countries because of some incomplete integration of acquired companies and process and system harmonizations. Auditor KPMG has been informed of the exclusion of the information.

Table E1-4-1 Targets related to climate change mitigation and adaptation

Category and decarbonisation	Baseline year 2022	2030 target	
	CO ₂ -eq	CO ₂ -eq	%
Total Greenhouse Gas Emission Reduction	14,427.6	-6,059.6	42%
Scope 1 Greenhouse Gas Emission Reduction	140.3	-58.9	42%
- Electrification of vehicles (M1)	-	-58.9	42%
Scope 2 Greenhouse Gas Emission Reduction	632.4	-265.6	42%
- Transition to nuclear and green energy (M2)	-	-229.0	36%
- Energy efficiency and consumption reduction (M3)	-	-36.6	6%
Scope 3 Greenhouse Gas Emission Reduction	13,654.9	-5,735.1	42%
- Emission based selection of purchased goods (M4)	-	-241	2%
- Emission based selection of purchased goods (M5)	-	-4,270	31%
- Promotion of low carbon business travel (M6)	-	-60	1%
- Promotion of remote work and green commuting (M7)	-	-1,106	8%

TABLE E1-4_2 - TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION



Etteplan has set GHG emission reduction targets for Scope 1, 2, and 3 emissions, aiming to reduce these emissions by 42% by 2030, based on a 2022 baseline. 1. These targets are disclosed separately for each scope to ensure clarity and transparency.

The combined GHG emission reduction targets cover all three scopes (1, 2, and 3), and the share related to each respective GHG emission scope is clearly defined. Scope 1 emissions include direct emissions from owned or controlled sources, Scope 2 emissions cover indirect emissions from the generation of purchased electricity, steam, heating, and cooling consumed by the company, and Scope 3 emissions encompass all other indirect emissions that occur in the company's value chain.

To ensure the consistency of these targets with its GHG inventory boundaries, Etteplan has conducted a GHG inventory that includes all relevant emission sources. The GHG emission reduction targets are gross targets, meaning that the company does not include GHG removals, carbon credits, or avoided emissions as a means of achieving the targets.

The baseline year for Etteplan's GHG emission reduction targets is 2022, and the baseline value includes all relevant emission sources from Etteplan Finland's and Etteplan Sweden AB operations. The GHG inventory was conducted following the Greenhouse Gas Protocol standard using a market-based method.

The baseline value was calculated based on the activities of Etteplan Finland Oy and Etteplan Sweden AB and accounts for all available data on greenhouse gas emissions, including significant value chain activities such as business travel (particularly flights) and the impacts of purchased materials and services. This approach ensures the baseline value reflects the company's activities and external factors influencing emissions, providing a foundation for setting and achieving GHG emission reduction targets.

The baseline energy consumption has remained consistent when compared to the levels in 2023 and 2024. Currently, the energy consumption transition plan for climate change mitigation encompasses Etteplan Finland Oy and Etteplan Sweden AB, as the GHG inventory was available for these subsidiaries as of October 2024. However, Etteplan is planning to develop a Group-level GHG inventory and transition plan in the future.

The baseline year for Etteplan's GHG emission reduction targets remains 2022, as no significant changes in the target or reporting boundary have occurred. This approach ensures consistency in tracking progress over time and aligns with CSRD guidance, which stipulates that the baseline value and year should only be adjusted when significant changes take place.

Should significant changes in the target or reporting boundary occur in the future, Etteplan will provide a detailed explanation of how the new baseline value impacts the target, its achievement, and the presentation of progress over time. Additionally, any new targets established will follow the sustainability reporting directives recommendation to select a recent base year from within three years prior to the first reporting year of the target period.

Etteplan's GHG emission reduction targets are based on SBTi (Science-based target initiative), limiting global warming to 1.5°C. The targets have been set using the Greenhouse Gas Protocol standard, which provides a comprehensive and accurate representation of the company's emissions. The targets are derived using a sectoral decarbonisation pathway, and the underlying climate and policy scenarios are aligned with the Paris Agreement's goal of limiting global temperature rise to 1.5°C. Targets have not been assured externally.

As part of the critical assumptions for setting GHG emission reduction targets, Etteplan has considered future developments such as changes in sales volumes, shifts in customer preferences and demand, regulatory factors, and new technologies. These factors have been taken into account to assess their potential impact on both GHG emissions and emissions reduction.

Etteplan's decarbonization strategy is centered on implementing targeted measures across its operations and value chain to achieve its GHG emission reduction targets. Key decarbonization levers include optimizing energy efficiency, transitioning to renewable energy sources, reducing emissions from business travel, and engaging suppliers to adopt more sustainable practices. These measures collectively contribute to achieving Etteplan's GHG emission reduction target of 42% by 2030, based on a 2022 baseline.

Leased vehicles:

- Increasing the number of low-emission vehicles in the company's use by switching combustion engine cars to electric cars. (Scope 1.)
- The expected emission reduction is 59 tCO₂e

Offices energy consumption:

- Switching electricity used in offices to electricity from certified green energy. (Scope 2.)
- The expected emission reduction is 229 tCO₂e

Reduction of offices' energy consumption:

- Switching office lights to LEDs. (Scope 2.)
- The expected emission reduction is 37.8 tCO₂e

Promotion of low-carbon procurement (products):

- Preferring suppliers committed to reducing their carbon footprint and promoting the purchase of eco-certified products. (Scope 3.)
- The expected emission reduction is 241 tCO₂e

Promotion of low-carbon procurement (services):

- Optimizing the use of services and preferring suppliers committed to reducing their carbon footprint. (Scope 3.)
- The expected emission reduction is 4,270 tCO₂e

Promotion of low-carbon business travel:

- Implementing a procurement strategy that ensures 50% of all fuels used for business travel flights are bio-based. (Scope 3.)
- The expected emission reduction is 60 tCO₂e

Promotion of low-carbon transport modes for employee commuting:

- Promoting remote working and aim to offer incentives for walking, biking, and using public transport for commuting. (Scope 3.)
- The expected emission reduction is 1,106 tCO₂e

Etteplan has considered a diverse range of climate scenarios, including a scenario compatible with limiting global warming to 1.5°C. Etteplan conducted an internal workshop on October 21, 2024, where measures for climate change mitigation were discussed. The workshop resulted in the identification of key actions targeting energy consumption in offices, employee commuting, business travel, and purchased goods and services.

Two scenarios were created to assess the potential impact of these measures:

Workshop Pathway: This scenario focused on the concrete actions identified during the workshop. However, it was found that these measures were insufficient to achieve the emission reduction target of 42% by 2030.

Scenario Pathway: This scenario included additional measures to close the gap and achieve the target. The additional measures were designed to increase the ambition level and ensure alignment with the Science-Based Targets initiative (SBTi) cross-sector pathway for near-term emission reduction targets.

The analysis of these scenarios helped Etteplan detect relevant environmental, societal, technology, market, and policy-related developments and determine its decarbonisation levers. The measures were assessed for their emission reduction potential and costs, ensuring that the company's strategy and business model are compatible with achieving climate neutrality and limiting global warming to 1.5°C.

E1-5 - ENERGY CONSUMPTION AND MIX

Please see Table E1-5 Energy Consumption and Mix table for the data regarding energy consumption related to own operations.

Etteplan does not currently consume self-generated non-fuel renewable energy, as it relies on purchased renewable energy sources. This has not been

material to our overall energy consumption and is not included in the current reporting.

Based on 2024 taxonomy report, while Etteplan's activities are not directly high climate impact specified, 49,8% of Etteplan's activities are enabling activity for high climate impact sector (taxonomy-eligible or -aligned). For more specific information, see taxonomy report. Etteplan has taxonomy-eligible activities for climate change mitigation under TSC 9.1 Close to market research, development, and innovation, and TSC 9.3 Professional services related to energy performance of buildings. For climate

change adaptation, Etteplan has eligible activities under TSC 8.2 Computer programming, consultancy and related activities, TSC 9.1 Engineering activities and related technical consultancy dedicated to adaptation to climate change and TSC 9.2 Close to market research, development, and innovation. For the other four environmental objectives, Etteplan has eligible activities for sustainable use and protection of water and marine resources under TSC 4.1 Provision of IT/OT data-driven solutions for leakage reduction and transition to a circular economy under TSC 4.1 Provision of IT/OT data driven solutions.

Table E1-5: Energy consumption and mix

Energy consumption and mix	Comparative	Year 2024	Unit
Total fossil energy consumption (MWh)	N/A	3,425.1	MWh
Share of fossil sources in total energy consumption (%)	N/A	53%	%
Energy consumption from nuclear sources (MWh)	N/A	370.4	MWh
Share of fossil sources in total energy consumption (%)	N/A	6%	%
Total renewable energy consumption (MWh)	N/A	2,628.2	MWh
Share of fossil sources in total energy consumption (%)	N/A	41%	%
Total energy consumption (MWh)	N/A	6,467.0	MWh
Energy consumption from activities in high climate impact sector	N/A	3,221.0	MWh
Energy intensity from activities in high climate impact sector	N/A	17.91	MWh/M€
High climate impact sectors	49.8% Enabling activities in 2024 taxonomy report (eligible or aligned). Mostly consultancy and R&D for high climate impact sectors. See detailed list above		

Data on Finland and Sweden are mostly based on primary data. Regarding electricity, Germany, Poland and Netherlands in addition to seven offices in Finland and two in Sweden were unable to deliver energy consumption data. In regards of missing consumption data, estimates were used based on office space m² and average energy consumption of 61.2 kWh/m² to calculate consumption.

Regarding heat, nine locations in Finland and all locations in Sweden, Germany, Poland and Netherlands were calculated using estimates based on office space m² and average consumption of 99,9 kWh/m² to calculate heat demand.

Regarding the energy distribution, primary data was used as the primary source. Where data was missing, country-specific residual mix was used. The sites that were unable to provide consumption data were therefore estimated using the residual mix. Residual mix was used, because the GHG calculations were market based. Regarding heat, country specific heat production mix was used.

No external validations have been made.

E1-6 – GROSS SCOPES 1, 2, 3 AND TOTAL GHG EMISSIONS

Please see the Table E1-6 -1 for the data on Gross Scopes 1, 2, 3 and Total GHG emissions. Note that Poland, Germany and the Netherlands are included for the first time, and therefore have had an impact on the GHG emissions. These new countries are fully accounted in Scope 1 and 2 emissions. For Scope 3, only fuel-related activities, upstream emissions and transport and distribution (T&D) losses are included, as these can be derived from Scope 1 and Scope 2 calculations. There are no data available from investees, joint ventures or certain subsidiaries. Metrics are not validated by external body.

Table E1-6 - 1– Gross Scopes 1, 2, 3 and Total GHG emissions

	Metric tonnes of CO ₂ eq	The consolidated accounting group*	Investment targets*	Finland	Sweden	Poland	Germany	Netherlands
Gross Scope 1 GHG emissions	362.3	362.3	N/A	41.7	9.4	31.7	194.7	84.8
Gross Scope 2 GHG emissions	1,094.6	1,094.6	N/A	363.2	87.2	84.0	447.9	112.3
Gross Scope 3 GHG emissions	14,240.1	N/A	N/A	9,209.3	4,791.2	29.9	152.9	56.7
Total GHG emissions	15,697.0	N/A	N/A	9,614.2	4,887.7	145.7	795.6	253.8

Please see the Table E1-6-02 and E1-6-03 for the data on Gross Scopes 1. 2. 3 and Total GHG emissions - Scope 3 GHG emissions (GHG Protocol).

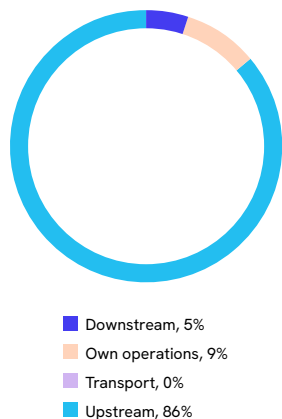
Table E1-6 – 2 – Gross Scopes 1, 2, 3 and Total GHG emissions

Category in scope 3	t CO ₂ -eq	% of total CO ₂ -eq
Purchased services	8,141.2	52%
Commuting	2,791.4	18%
Use of sold products	743.2	6%
Mileage allowances	819.7	5%
Flights	419.5	3%
Purchased goods	404.3	3%
Waste, incl. Transport	243.7	2%

Table E1-6 – 3 – Gross Scopes 1, 2, 3 and Total GHG emissions

Scope 3	
Purchased goods	404.3
Purchased services	8,141.2
Fuel and energy related activities	374.9
Upstream transportation and distribution	14.9
Waste generated in operations	243.7
Business travel	1,494.4
Employee commuting	2,791.4
Downstream transportation and distribution	0.1
Use of sold product	743.2
End-of-life treatment of sold products	0.9
Total	14,209.0

CO₂-EQ BY CATEGORY



Etteplan does not have any Scope 1 GHG emissions from regulated emission trading schemes, as the company is not currently participating in such schemes.

In 2024, three new countries - Germany, Poland, and the Netherlands - were included in the calculation for Scope 1 and 2 emissions. For Scope 3, four new categories were added: Upstream and Downstream transportation, EOL treatment of sold products, and Use of sold products. These

additions impact the comparability of calculations; however, we have also included calculations comparable to the reference year of 2022. These results are presented in parentheses in the calculations to ensure consistency, as the baseline year cannot be changed at this stage. The intention is to gradually expand the calculation to cover the entire organization and, in the future, update the baseline to reflect the full organizational scope.

Emission calculations follow the GHG Protocol standards. Due to the tight schedule for data collection for 2024 GHG inventory, activity data could be obtained for the period of 1-10/2024, and thus, the rest of the year (11-12/2024) was estimated extrapolating the relevant data to cover the full calendar year. In case of sold products (transportation, EOL, use of), no extrapolation needed. In scope 1 and 2, when estimates were used (contract kilometres or kWh/m²), no extrapolation needed.

Regarding leased vehicles in Scope 1, contracted kilometres have been partially used instead of actual driven kilometres. Used emission factors are based on the specific WLTP-factors of the vehicles. For upstream emissions of transportation activities (Scope 3), reliable sources have been used such as Fuel classification of Statistics Finland and DEFRA database (The UK Government Conversion Factors for greenhouse gas (GHG) reporting).

Scope 2 has been calculated based on primary energy consumption data of Etteplan's offices, if available, and in the absence of the primary data, based on the office floor area using average consumption figures per meter squared based on Motiva data. In the absence of primary data on the type of energy consumed, country-specific residual mix (AIB) has been used for market-based calculations and average country-specific production mix (AIB) for location-based calculations to determine energy distribution and emission factors. In case primary data on the energy mix was available, emission factors were modelled based on fuel classification of Statistics Finland and licensed emission factor data.

For waste (Scope 3), in case primary data was not available, the average waste amount per person reported by HSY (Helsinki Region Environmental Services) has been used, along with the emission factors obtained from reliable sources, such as factors provided by Finnish Environment Institute. The calculation overestimates the emissions as there are no primary data on the number of people using the offices at Etteplan. Licensed emission factor databases have been used in EOL calculations. Use of sold products includes electricity consumption in customer premises, and AIB residual grid mix of Finland has been used as an emission factor. Procurement is mostly based on spend-based data, and the emission factors have been sourced from the DEFRA database and inflation-corrected. Inflation-corrected DEFRA factors have also been used in

other spend-based calculation in business travel. For commuting, worst-case scenario was modelled using headcount of Etteplan personnel and using average emission factors of passenger vehicles. Sources used in employee commuting calculations include Traficom (Finnish Transport and Communications Agency), VTT LIPASTO (Calculation system for transport energy consumption and emissions), HBEFA (The Handbook of Emission Factors for Road Transport) and JRC (the Joint Research Centre). Calculation overestimates the emissions as Etteplan has no primary data on the number of people using the offices.

Calculations separating CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, and NF₃ were not included in 2024 GHG calculations. We are looking into incorporating this into our 2025 calculations.

Biogenic was not included in 2024 GHG calculations. We are looking into incorporating this into our 2025 calculations.

Metrics are not validated by external body.

Data on the effects of significant events and changes in circumstances relevant to GHG emissions that occur between the reporting dates of entities in our value chain and the date of Etteplan's general purpose financial statements is not currently available. We are working on improving the tracking and reporting of such events for future disclosures.

Biogenic emissions of CO₂ from the combustion or bio-degradation of biomass are not included in Scope 1 GHG emissions for 2024, as they could not be calculated. We are exploring the possibility of including these calculations in the 2025 reporting.

Data on the application of the location-based and market-based methods to calculate Scope 2 GHG emissions, as well as information on the share and types of contractual instruments used, is not currently available. We are working to improve the tracking and reporting of these emissions and contractual instruments for future disclosures.

Biogenic emissions of CO₂ from the combustion or bio-degradation of biomass are not included in Scope 2 GHG emissions for 2024, as they could not be calculated. We are exploring the possibility of including these calculations in the 2025 reporting.

Excluded Scope 3 categories:

- **Capital goods:** Systematic data collection framework required; no historical data available
- **Upstream leased assets:** Systematic data collection framework required; no historical data available
- **Processing of sold products:** N/A
- **Downstream leased assets:** N/A
- **Franchises:** N/A
- **Investments:** Systematic data collection framework required; no historical data available

Included Scope 3 categories:

Purchased goods and services, Fuel- and energy-related activities, Upstream transportation and distribution, Waste generated in operations, Business travel, Employee commuting, Downstream transportation and distribution, Use of sold products, End-of-life treatment of sold products.

Data on biogenic emissions of CO₂ from the combustion or biodegradation of biomass, as well as emissions of other GHGs (such as CH₄ and N₂O) and emissions from the life cycle of biomass (e.g., from processing or transporting biomass), is not currently available.

Scope 3 emissions have been calculated exclusively for operations in Finland and Sweden due to incomplete system integrations and limited data availability for other countries. The calculations use primary data from systems and departmental surveys, with emission factors sourced from reliable databases such as DEFRA, Motiva, Ecoinvent, and LCA for experts. Procurement emissions are based on financial data and procurement reports, while waste is calculated using estimated per-person waste amounts. No primary data were available for value chain and supplier data. Transportation emissions are partially derived from DHL reports, with worst-case scenario estimates used for some modes.

Excluded Entities

The following subsidiaries and entities are excluded due to data limitations and ongoing system harmonizations:

- Etteplan Oyj (Scope 1 and 2 included in Etteplan Finland's operations)
- Etteplan Technology Center Ltd
- Etteplan Consulting (Shanghai) Co., Ltd
- Etteplan USA Inc.
- Syncore Technologies AB
- Etteplan Denmark A/S
- High Vision Engineering AB
- STRONGIT ApS, STRONGIT København ApS
- AFRA AB

Exclusions are based on management decisions and data unavailability from acquired companies. Separate subsidiaries, companies under operational control, and those outside operational control are not included in the calculations.

Calculation Methodology

Scope 3 emissions are calculated following the GHG Protocol's categorization, covering categories 1, 3, 4, 5, 6, 7, 9, 11, and 12. The key categories include:

- **Procurement:** Spend-based calculations using DEFRA emission factors.
- **Transportation (Categories 4, 9):** Distance-based calculations with DHL data and worst-case scenario estimates.
- **Business Travel (Category 6):** Data from CRM with DEFRA, AIB, and hbefa factors.

- **Commuting (Category 7):** Based on average commuting distances and worst-case car use assumptions.
- **Use of Sold Products (Category 11):** Energy usage estimates for a 10-year lifespan and 5,000 annual usage hours, using residual mix emission factors of the product's end-use country.

Table E1-6 - 5- Gross Scopes 1, 2, 3 and Total GHG emissions

	Retrospective			Milestones and target years			
	Base year 2022 tCO ₂ -eq	Comparative 2024 t CO ₂ -eq	% N / N-1	2025	2030	(2050)	Annual % target / Base year
Scope 1 GHG emissions							
Gross Scope 1 GHG emissions (tCO ₂ eq)	140.3	362.3 (51.1)	+158% / +217% (-64%)	-	42%		5.25%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	N/A	N/A	N/A				
Scope 2 GHG emissions							
Gross location-based Scope 2 GHG emissions (tCO ₂ eq)	N/A	781.9	N/A	-	42%		5.25%
Gross market-based Scope 2 GHG emissions (tCO ₂ eq)	632.4	1,094.6 (450.3)	+73% / +67% (-29%)	-	42%		5.25%
Significant Scope 3 GHG emissions							
Total Gross indirect (Scope 3) GHG emissions (tCO ₂ eq)	13,654.9	14,357.3 (13,250.4)	+5% / +8% (-3%)	-	42%		5.25%
1 Purchased goods and services	9,908.7	8,545.6 (8,545.6)	-14% / -2% (-14%)				
2 Capital goods	N/A	N/A	N/A				
3 Fuel and energy-related activities	194.0	374.9 (135.3)*	+93% / +83% (-30%)				
4 Upstream transportation and distribution	N/A	14.8	N/A				
5 Waste generated in operations	42.4	243.7 (243.7)	+474% / -2% (+474%)				
6 Business traveling	879.1	1,525.6 (1,525.6)	+74% / +3% (+74%)				
7 Employee commuting	2,630.8	2,791.4 (2,791.4)	+6% / +7% (+6%)				
8 Upstream leased assets	N/A	N/A	N/A				
9 Downstream transportation	N/A	0.1	N/A				
10 Processing of sold products	N/A	N/A	N/A				
11 Use of sold products	N/A	743.2	N/A				
12 End-of-life treatment of sold products	N/A	0.9	N/A				
13 Downstream leased assets	N/A	N/A	N/A				
14 Franchises	N/A	N/A	N/A				
15 Investments	N/A	N/A	N/A				
Total GHG emissions (location-based) (tCO ₂ eq)	N/A	15,476.4	N/A	-	42%		5.25%
Total GHG emissions (market-based) (tCO ₂ eq)	14,427.6	15,697 (13,241.6)	+9% / +12% (-8%)	-	42%		5.25%

*Described in section E1-6.

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

GHG intensity	Comparative	N	% N /N-1
Total GHG emissions (location-based) per net revenue (tCO ₂ eq/M€)	N/A	42.61	
Total GHG emissions (market-based) per net revenue (tCO ₂ eq/ M€)	41.20	43.48	
Net revenue from activities in high climate impact sectors used to calculate energy intensity	174.4 M€ (49.8%)	179.8 M€ (49.8%)	Calculation based on 2024 taxonomy report. 49.8% enabling activity (taxonomy-eligible or -aligned).
Net revenue (other)	175.8 M€ (50.2%)	181.2 € (50.2%)	Calculation based on 2024 taxonomy report. 49.8% enabling activity (taxonomy-eligible or -aligned).
Total net revenue (Financial statements)	350.20 M€	361.02 M€	

E1-7 - GHG REMOVALS AND GHG MITIGATION PROJECTS FINANCED THROUGH CARBON CREDITS

E1-7 is not material to Etteplan according to the DMA (Double Materiality Assessment). Etteplan does not currently engage in activities related to GHG removals or the financing of GHG mitigation projects through carbon credits. Therefore, no disclosures are applicable under this section for the reporting period. We continuously monitor the relevance of these activities to our operations and value chain.

E1-8 - INTERNAL CARBON PRICING

E1-8 is not material to Etteplan. Etteplan does not currently implement an internal carbon pricing mechanism as part of our operations or decision-making processes. Consequently, no disclosures are applicable under this section for the reporting period. We remain aware of the growing importance of internal carbon pricing as a tool to drive decarbonization and manage climate-related risks. We will evaluate its applicability to our operations as part of our ongoing sustainability strategy development.

3. Social information

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SOCIAL INFORMATION

ESRS S1 – Own workforce Strategy

ESRS 2 SBM-2 – INTERESTS AND VIEWS OF STAKEHOLDERS

Etteplan's workforce has played an active role in shaping our Sustainability Agenda. We have fostered engagement through diverse methods, including communication via our intranet, the DMA (Double Materiality Assessment) survey, the HRDD (Human Rights Due Diligence) project, and interviews. Insights from our workforce, gathered through the DMA process, have been instrumental in guiding our strategic planning.

"Success with People" is a cornerstone of both our current and our upcoming strategy and emphasizes the importance of continuity and skilled personnel to our business. Our strategy and business model, as well as their impact on our personnel, are described in more detail in chapter 1, General Disclosures.

ESRS 2 SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

Etteplan's workforce includes both employees and non-employees. Employees are people in a direct employment relationship with Etteplan. Non-employees include the external workforce not directly employed by Etteplan. All Etteplan's workforce, including both internal and external workforce, are included in the scope of this disclosure requirement.

Etteplan's employees include the following types of employment relationships:

- Permanent employees
- Fixed-term employees
- Full-time employees
- Part-time employees

The following types of **external workforce** are included for non-employees:

- B2B workers – People with a B2B contract supplying labor to Etteplan in Poland
- Agency workers – People employed by third-party agencies supplying labor to Etteplan
- Other subcontractors – Individual contractors supplying labor to Etteplan excluding B2B workers and Agency workers
- Trainees – Students who are in unpaid trainee or internship positions, no direct employment relationship with Etteplan

The nature of Etteplan's business is highly people-driven and reliant on the expertise of its personnel, which will continue to be a key focus in our upcoming strategy period.

Material risks and opportunities arise from impacts and dependencies on our workforce, as well as our business model and strategy. To address this, Etteplan's top management leads a structured process to identify and assess material risks, opportunities, and impacts related to the workforce. This involves addressing expectations from key stakeholders, analyzing workforce data, and considering the alignment of identified impacts with strategic objectives. These efforts ensure the organization is responsive to both current and emerging workforce-related impacts, risks and opportunities, as outlined in the table below. In addition, the Double Materiality Assessment process is described in its entirety in chapter 1, General Disclosures under *Impact, risks and opportunity management*.

Material negative impacts are related to individual incidents, for example the material impact Health and Safety. According to Etteplan's QEHS (Quality, environment, health, and safety) policy, preventive measures such as training, workplace surveys and risk assessments help ensure a healthy and safe working environment. When carrying out potentially hazardous work, we do so carefully and responsibly, while taking into account all aspects of environment, health and safety.

There has been a negative actual impact observed in the compensation between male and female employees, which may manifest as individual cases of gender pay gaps. Possible influencing factors could include role-specific salary ranges, level of education, or amount of work experience, but this requires further research. In the engineering and IT fields, the gender pay gap is influenced by historical sector trends where men have more frequently pursued STEM (science, technology, engineering, mathematics) education and formed the majority of the workforce in these fields. This is reflected in leadership roles and the entire organization.

The activities that result in the positive impacts in Etteplan are materializing through effective human resources management, including regular performance and development discussions, systematic monitoring of occupational health and well-being, and internal procedures and guidelines. These apply to all Etteplan employees globally.

Health and safety, Gender equality and equal pay for work of equal value, Diversity, and Training and skills development were recognized as the material financial risks and opportunities at Etteplan. Risks in our own workforce can slow down the Company's growth, if they materialize. The availability of competent professionals helps ensure the Company's business development, growth, and profitability. The most significant personnel risks pertain to the global competition for leading experts

in the field of technology, i.e. the ability to attract the right competencies and promote employee engagement.

Etteplan has not identified opportunities or risks that may arise from the company's transition plans for reducing negative impacts on the environment and achieving climate-neutral operations.

Etteplan has zero tolerance for human rights violations and has no operations with significant risk of incidents of forced labor or compulsory labor related to its own workforce.

There are no countries or geographic areas with operations considered at significant risk of incidents of forced labor or compulsory labor related to our own workforce. Etteplan strictly prohibits human trafficking and forced labor, including slavery.

There are no countries or geographic areas with operations considered at significant risk of incidents of child labor, Etteplan strictly prohibits the use of child labor in any form.

Etteplan does not accept discrimination, hostile or abusive behavior in any form. All current and potential employees are evaluated based on their skills and have equal opportunity for employment and job advancement, and the company is committed to providing equal pay for equal work. However, the company may take proportionate positive action to

provide more equal footing to groups of people who are currently underrepresented or at a disadvantage. The understanding of people in Etteplan’s own workforce has been developed through effective human resources management, including regular performance and development discussions, systematic monitoring of

occupational health and well-being, and internal procedures and guidelines.

Material risks and opportunities that relate to specific groups of people include those pertaining to Gender equality and equal pay for work of equal value (related to gender groups) and Diversity (related to minority groups).

Our Human Rights Due Diligence (HRDD) Process is also vital in our continued efforts to develop an understanding of how people with particular characteristics, those working in particular contexts, or those undertaking particular activities may be at greater risk of harm.

Impacts, risks and opportunities management

Table S1-SBM-3. Impacts, risks and opportunities related to own workforce

Social and human rights matters	Impacts, risks and opportunities related own workforce
Health and safety (Actual negative and positive impacts)	Etteplan follows the principles of ISO 45001 standard for our Occupational Health and Safety Management System. We mostly work in an office work environment, but our customers (and thus also some of our employees), also work within industrial sites. Our occupational health and safety (OHS) management system is well developed and provides excellent coverage both nationally and globally. Actions promoting health and safety may positively impact employees’ general physical and mental wellbeing and work ability.
Gender equality and equal pay for work of equal value (Actual negative and potential positive impacts, potential financial risk and opportunity)	Etteplan is committed to equality, ensuring fair treatment and equal pay regardless of gender. Achieving compensation equality between genders is one of Etteplan’s sustainability targets. By ensuring equality in treatment, compensation, and recruitment, Etteplan enhances employee wellbeing and creates opportunities for continuous learning and career growth. This approach ensures the most qualified professionals are selected for key roles, strengthening Etteplan’s employer image, as well as its innovativeness, performance, and competitiveness.
Training and skills development (Actual positive impact, potential negative impact)	Etteplan is committed to taking care of its employees’ professional development. Our Personal Development Plan discussions and Career Model aim to support employees in continuously developing their professional skills with new tools and knowledge and being satisfied with their careers. If equality is not realized in the treatment, compensation and recruitment of employees, wellbeing at work and opportunities for continuous learning and career development would weaken as well as Etteplan’s employer image.
Diversity (Actual positive impact)	Etteplan is committed to diversity, equity, and inclusion (DEI) and improving our employees’ sense of belonging to our community, while allowing them to feel heard and to be themselves. This minimizes risks that weaken the quality of life of employees and their families. This may positively impact employees’ work ability and wellbeing and improve Etteplan’s employer image and performance.
Adequate wages (Actual negative and potential positive impacts)	Etteplan complies with all local, national, and international laws and regulations to ensure appropriate working conditions and adequate wages to its employees in all the operating countries. That will minimize our risks which weaken the quality of life of employees and their families. This may positively impact employees’ work ability and wellbeing and improve Etteplan’s employer image and performance.

S1-1 – POLICIES RELATED TO OWN WORKFORCE

Etteplan’s Code of Conduct serves as the company’s group-wide policy regarding our own workforce. Etteplan complies with all local, national, and international laws and regulations in its operating countries. We have developed several internal policies and detailed standard operating procedures to ensure that the highest standards of responsible conduct and good corporate governance practices are utilized throughout the organization as well as how we expect our partners to behave. Setting the expectations for our partners, such as suppliers and customers is in the best interest of all of our stakeholders, as we promote high standards for business conduct. The Code of Conduct is reviewed every two years by all employees through completing a mandatory eLearning, the eLearning is accessible to all of Etteplan’s employees.

Etteplan's policies and procedures cover all our own workforce and the most senior level in Etteplan that is responsible for the implementation of the Code of Conduct is the President and CEO.

Etteplan's Code of Conduct serves as the company's group-wide human rights policy. We take responsibility to ensure that we do not infringe on human rights, and take action to uphold and respect these rights, addressing any potential violations. Etteplan respects all internationally recognized human rights, including those outlined in the International Bill of Human Rights, and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. We are committed to the United Nations Principles on Business and Human Rights and are a participant in the UN Global Compact.

Etteplan is committed to complying with all local, national, and international laws and regulations in the countries where we do business and provide services. As stated in our Code of Conduct, we have developed several internal policies and detailed standard operating procedures to ensure that the highest standards of responsible conduct and good corporate governance practices are utilized throughout the organization. We follow labor laws and agreements and, under no circumstances, shall we accept any threats, harassment or negative consequences to employees who aim to organize themselves or solicit better working conditions.

Etteplan's general approach in relation to engagement with people in its own workforce is described in chapter 1 General Disclosures, SMB-2, Interests and views of stakeholders.

Etteplan conducts regular HRDD, to identify, prevent, and mitigate negative human rights impacts and prepare for possible corrective actions.

Etteplan is committed to the United Nations Principles on Business and Human Rights and is a participant in the UN Global Compact. We strictly prohibit the use of child labor in any form, as well as human trafficking and forced labor, including slavery.

Etteplan's Occupational Health and Safety (OHS) is linked to our Quality and Environment (QEHS) policy. In addition, Etteplan has also developed and released a mandatory eLearning for all employees regarding Occupational Health and Safety in order to prevent and manage workplace accidents. According to the policy, we communicate and work together with our OHS organization, such as safety representatives. We follow the principles of international safety standards and comply with applicable directives and regulations. For example, we make sure equipment, tools and machines comply with the requirements in applicable laws, regulations and international machine safety standards.

Etteplan is committed to treating people with respect, regardless of race, religion, gender, political opinion, age, nationality, sexual orientation, civil status, disability, or any other aspect of their identity or background. We do not accept discrimination, or hostile or abusive behavior on any grounds. The grounds for discrimination are covered in Etteplan's Code of Conduct. We aim to provide a workplace where people can feel comfortable to be themselves and can work free from harassment or bullying of any kind, whether physical, emotional, or sexual. Etteplan is also committed to diversity, equity, and inclusion (DEI) and we aim for continuous training and development within this topic.

Our renewed brand ties in strongly with equality and diversity, topics that continue to grow in importance. We strive to be as diverse as possible. Our goal is to foster an inclusive culture where individuals can be themselves while respecting others. Psychological safety and mutual trust are fundamental to our approach. To ensure continuous development, we closely monitor diversity through measurements, and implementing strategies to intervene and address any gaps as necessary.

We have zero tolerance for discrimination and corrective action is taken without delay when necessary. Etteplan employees can always speak to their supervisor, or the supervisor of the person(s) suspected of non-compliant behavior. The supervisor's role is to address any misuse or

perceived bad behavior in the company. Employees can also turn to the Human Resources department or leave a message on our Whistleblowing tool. The Whistleblowing tool provides the option of anonymity while enabling communication with the person voicing a concern or reporting non-compliant behavior. All notifications submitted to the Whistleblowing tool are treated with care and processed in a safe and secure environment.

Table S1-1. Policies to manage material impacts, risks, and opportunities related to own workforce.

Social and human rights matters	Policies
Health and safety	Etteplan's Health and Safety related impacts are linked to our Quality and Environment policy. For more information, refer to the Etteplan <i>QEHS policy (Quality Environment Health & Safety policy)</i>. Occupational health care is organized depending on the operating countries, following the local legislation and operating culture. In each country, we have a person responsible for occupational health and the necessary external partners. Etteplan promotes a substance-free workplace where potential substance abuse and addiction issues are addressed as early as possible. Etteplan's Alcohol & Drug Policy applies to all employees, contractors and temporary workers.
Gender equality and equal work for equal pay	Etteplan is committed to equal treatment of people, regardless of gender, and providing equal pay for equal work.
Training and skills development	Etteplan is committed to taking care of its employees' motivational development. Our Personal Development Process and Career Model aim to support employees in continuously developing their professional skills with new tools and knowledge and being satisfied with their careers. Guided by our values, we strive to promote a culture of continuous learning and encourage all our employees to embrace a growth mindset.
Diversity	Etteplan is committed to diversity, equity, and inclusion (DEI) and to enhancing employees' sense of belonging to our community, while ensuring they feel heard and can be themselves.
Adequate wages	Etteplan complies with all local, national, and international laws and regulations to ensure appropriate working conditions and is committed to pay adequate wages to its employees in all the operating countries. For more information, please refer to our CoC.

S1-2 – PROCESSES FOR ENGAGING WITH OWN WORKERS AND WORKERS' REPRESENTATIVES ABOUT IMPACTS

Etteplan takes into account the perspectives of its workforce and regularly provides updates on its decisions and activities, including through Occupational Health and Safety operations. Etteplan also conducts an annual employee survey (FuturETTE) as a channel for direct employee engagement. The survey is sent to all Etteplan employees, and regular reminders are sent out. Once the results are collected, they are reported on the intranet (ette) so that all employees can see the global results. Team results are discussed in relevant groups, and actions are proposed based on the results.

Etteplan promotes an open and active dialogue with its own workforce. We respect employees' right to freedom of association, and interaction takes place both directly as well as with elected representatives on local and national levels to provide information and discuss matters concerning, e.g., the company's performance, operating environment, terms of employment, and health and safety.

Etteplan collects insights and feedback from employees with different surveys such as employee engagement survey FuturETTE which is conducted annually, and onboarding and exit surveys which are connected to changes in employment and reported quarterly. FuturETTE is conducted globally at Etteplan, it gives employees an opportunity to

express their opinions and contribute to the future development of Etteplan and our workplace. The response link to the FuturETTE survey is sent to all employees and the results are published on the Intranet and processed further in workshops at a team level.

Other communication channels with employees are, e.g., Intranet and internal social media, meetings and events, and our eLearning platform. Dialogue with employees and employee representatives takes place at various stages and at global, national, and local levels.

Senior Vice President, Marketing and Communications has operational responsibility for internal communications to ensure that engagement happens and that results inform the undertaking's approach. Senior Vice President, Human Resources has operational responsibility for HR communications to ensure that engagement happens and that results inform the undertaking's approach. The CEO is responsible for managing the Group's day-to-day operations in accordance with the rules and instructions issued by the Board of Directors.

Etteplan follows the recommendations set by the ILO (International Labour Organisation), the UN Global Compact, as well as providing its own Code of Conduct, and a Whistleblowing channel to ensure human rights. These frameworks both set the standards for human rights of our own workforce, as well as enabling Etteplan to gain insight into the

perspectives of its own workforce through internal surveys and reporting tools. Based on the Etteplan Code of Conduct all employees must read and understand the principles and apply them to their daily work and decision-making. All employees are required to complete the Code of Conduct eLearning if two years or more has passed since their last completion.

Etteplan assesses the effectiveness of engagement with its own workforce with an employee engagement survey, the purpose of which is to create dialogue with all employees and collect insights to develop Etteplan into an inclusive workplace. The survey is conducted globally in Etteplan on a regular basis, and management and supervisors create action plans based on the results. In 2024, the global response rate was 77%.

In order to gain insight into the perspectives of people in its own workforce who may be particularly vulnerable to impacts and/or marginalized, the Etteplan employee engagement survey is sent to all employees and collects insights about inclusivity. The equity and inclusion index includes measured survey questions and is part of the sustainability metrics, which measures the percentage of women in Etteplan relative to the number of women Science and Technology graduates in Etteplan countries. In addition, the Whistleblowing tool allows all employees to anonymously voice any concerns regarding impacts on vulnerable and/or marginalized employees.

S1-3 – PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR OWN WORKERS TO RAISE CONCERNS

Our goal is to foster an inclusive culture where individuals can be themselves while respecting others. Psychological safety and mutual trust are fundamental to our approach. We have zero tolerance for discrimination and maintain a Whistleblowing channel that is accessible both internally on our intranet and externally on our website. All Whistleblowing reports are processed in accordance with the EU's Whistleblowing Directive (known formally as the Directive (EU) of the European Parliament and of the council on the protection of persons who report breaches of Union law) by the Senior Vice President of HR, the Chief Financial Officer, and the HR Director of the company's Finnish operations. Corrective action is taken without delay when necessary.

The following channels are available and in use for our own workforce to raise concerns or needs internally and have them addressed:

1. Etteplan employees can always speak to supervisors or the supervisor of the person(s) suspected of noncompliant behavior. They are there to address any misuse or perceived bad behavior in the company.
2. Employees can contact Etteplan's Senior Vice President, Human Resources.
3. Regarding the use of social media or public discussion; employees can contact

Etteplan's Senior Vice President, Marketing and Communications.

4. Employees can report a case in the Whistleblowing tool.

Etteplan's Whistleblowing tool enables anyone to voice concerns or report non-compliance in confidence using a third party platform. Employees can also contact Etteplan's Senior Vice President, Human Resources directly. Etteplan follows a process that determines the corrective measures needed depending on the severity of the report.

We have a process to identify, assess and, where needed, take action on each case. All reports are processed on a case-by-case basis.

Corrective actions within the HR level / Service manager level – Potential issues, often HR related, warrant the attention of management, but may not require privilege or professional investigators. They are often delegated to management but could escalate at any phase.

Corrective actions categorized as serious issues – Potential issues, which have been prepared for, such as a significant theft. Systems have been designed and special investigative staff have been trained to address these issues.

Corrective actions categorized as significant issues – These issues are serious and material to the organization but do not involve allegations of

wrongdoing by senior management. As such, senior management typically direct these investigations with special care and under privilege.

Corrective actions categorized as crisis issues – These are issues that could have an effect to the business continuity, whether financial or reputational, or issues that involve allegations of wrongdoing by senior management.

All whistleblowing reports are processed in accordance with the EU's Whistleblowing Directive. Externally, this tool is available on the Etteplan website, while internally, the tool is reviewed at least every other year as part of the Code of Conduct eLearning course. The tool is operated by a third-party company to ensure anonymity. To guarantee fair conduct and accountability, the tool is accessible to three parties within Etteplan, who are responsible for reviewing cases and following the outlined processes based on severity. We have also stated both internally, within our Code of Conduct, and on our website that we have zero-tolerance for any form of retaliation of any kind against individuals who voice their concerns, report misconduct, or assist in investigations of possible violations. We will ensure complete confidentiality for anyone reporting suspected violations. There will be no retribution or punishment for any individual who reports a suspected violation in good faith, even if this claim is later found to be without merit.

The general process is detailed in our publicly available Code of Conduct. A more comprehensive process description is provided on our intranet, which is accessible to all employees. This process includes anonymous dialogue with affected parties if necessary. Processes, practices, and policies are documented on the Etteplan intranet and communicated across the entire organization, including during new employee and local supervisor onboarding.

The Whistleblowing tool is highlighted in the mandatory Code of Conduct eLearning, where completion of the training indicates familiarity with the platform and is tracked via completion statistics. Anyone can report anonymously through the whistleblowing tool, which is managed by an external service provider to guarantee confidentiality. The system is encrypted and password protected.

More information on our Whistleblowing tool and process can be found in chapter 4, Governance information, under G1-1 – Business conduct policies and corporate culture.

S1-4 – 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

Etteplan actively manages its material impacts, risks, and opportunities related to its own workforce, focusing on the most critical material topics of health and safety, gender equality and equal pay for work of equal value, diversity in line with the Etteplan Diversity, Equity, and Inclusion (DEI) initiative, and training and skills development in annual Personal Development Plan (PDP) discussions. Key actions taken in the 2024 reporting year included the development of a Sustainability Agenda, the implementation of a Human Rights Due Diligence (HRDD) process, the creation of DEI eLearning and other DEI-related topics, and the continuous implementation of Occupational Health and Safety (OHS) with the Quality, Health, Environment, and Safety (QHES) policy. The scope of these initiatives encompasses all employees. The HRDD process was developed in 2024, and the majority of the actions derived from the HRDD process have been implemented in 2024 and will continue in 2025 with the review of effectiveness and communication. This includes regular training sessions for all country managers, and continuous communication. Much of the development of the actions will be reviewed annually and developed accordingly.

In order to prevent or mitigate negative impacts on Etteplan's own workforce, all employees must read and understand the principles stated in the Code of Conduct and apply them to their daily work and decision-making. The Code of Conduct will also be part of every new employee's onboarding program. There is also a mandatory eLearning based on the Code of Conduct, which is part of the onboarding of new employees, and must be completed by all employees every two years. Employees must also seek guidance or further clarification, if necessary, report any concerns or misconduct, refrain from retaliating against anyone who raises a concern, and cooperate in any potential investigations. Managers have a wider responsibility of setting an example with their own actions, ensuring that local guidance is in line with this Code, taking proactive steps to reduce any potential risks within their teams, regularly discussing topics within the Code of Conduct, and ensuring that employees feel comfortable raising any concerns they might have. Included within the Code of Conduct is information on the Whistleblowing channel which allows any Etteplan employees or stakeholders to report any potential misconduct anonymously. These actions prevent and mitigate possible negative impacts on our own workforce.

Actions are taken to provide or enable remedy when actual material impacts occur. In 2024, there has been one internal case relating to DEI and one to potential misuse of company assets. Etteplan has followed the whistleblowing process in each

of these cases. We also measure the activity of Whistleblowing channel and investigate and process all the cases within the time as agreed in each case.

Initiatives to deliver positive impacts including employee benefits which are based on local legislation and market practices with the purpose of delivering positive impacts to employees.

In addition, Etteplan's Happy DEIs is a global community-lead initiative within Etteplan that aims to create awareness and understanding of diversity, equity, and inclusion at Etteplan. By creating a platform for open discussion and networking, sparking interest, and providing chances to learn more, we are advancing DEI together in our workplace.

The effectiveness of actions and initiatives in delivering outcomes for our own workforce is tracked and assessed in annual PDP (Personal Development and Performance) discussions. The PDP-survey monitors the quality of the employee discussion. The survey is sent to employees who have completed PDP discussion, results are monitored on a quarterly basis. Etteplan assesses the effectiveness of actions and initiatives for its own workforce with Employee engagement survey, the purpose of which is to have dialogue with all employees and collect insights to develop Etteplan to be an inclusive workplace. The survey is conducted globally in Etteplan on a regular basis and management and supervisors create action plans based on the results.

When an action is needed in response to actual negative impact, employees can turn to their manager or Human Resources (HR) department with all their questions and concerns or leave a message using our Whistleblowing tool. The same applies to potential negative impacts also, employees can either turn to their managers or other managers or HR representatives or make contact via the Whistleblowing tool regarding any potential concerns.

Etteplan identified the most material topics within its own workforce as Health and safety (identified as a risk), Gender equality and equal pay for work of equal value (identified as a risk and opportunity), Training and skills development (identified as an opportunity), and Diversity (identified as an opportunity). In determining actions to mitigate material risks from arising and track effectiveness the following measures are taken.

In order to mitigate risks, according to Etteplan's QEHS policy, preventive measures such as trainings, workplace surveys and risk assessments ensure a healthy and safe working environment. When carrying out potentially hazardous work, we do so carefully and responsibly, while taking into account all aspects of the environment, health and safety. Etteplan's remuneration policy is based on fair wages, benefits and incentives. Etteplan has a long track record of monitoring the equality of overall pay through annual evaluations.

Opportunities are created in various ways, Etteplan's career model is an inclusive and transparent tool to support career development and professional growth. There are also training and development opportunities through eLearning and other education supported by Etteplan.

Diversity is one of the key factors behind Etteplan's success, promoted by encouraging supervisors to look across national borders in recruitment, among other things. Increasing the share of women among Etteplan's personnel is also one of the Company's objectives.

In pursuing material opportunities, continuous learning is central for our organization which is all about expertise. Together we build a culture of learning and as a company we have great possibilities to offer learning on the job as we take on new assignments and projects from our customers. For our customers we want to be forerunners in different technologies, have an open mind for new solutions and being proactive in our mindset. We believe in taking personal responsibility to learn, but also to share knowledge with each other.

We develop leadership and leaders in Etteplan to make sure that this is a great place to work for all employees. We have global and local leaders communities, networks for sharing and learning together and we also have both global and local training for leaders.

The Global Leadership Development (E-LEAD) program for Etteplan leaders, which we had in place until 2023, was one factor to ensure that we do not cause and contribute to material negative impacts.

E-LEAD is a comprehensive training program designed to empower our leaders with the skills and tools needed to meet the challenges of modern leadership. Throughout this journey, participants delve into the core principles of leadership aligned with our values, learning from each other and collectively shaping what leadership means in our business. Most importantly, the aim is to discover how to become the most authentic and effective leader possible.

Our efforts in global leadership development continued in 2024 and were focused on values-based leadership to ensure that all Etteplan leaders are equipped to lead according to the new values Forward Focus, Bold Thinking, and Smarter Together.

We also introduced a new concept called "Etteplan Values Boost" and rigorously trained nearly 400 leaders and key employees in a span of three weeks. This enabled our leaders to connect values to their own leadership behaviors and to develop their ways of working and interacting with their teams.

Led by SVP Marketing and Communications, the ESG Steering Group acts as an advocate for initiatives and projects across the wider organization,

identify and assess material impacts, risks, and opportunities, and set the targets and allocate resources for projects to manage material impacts. The ESG Steering Group also provides advice or direct input on budgeting, and approve EU Taxonomy reporting. The material impacts are managed through annual reporting, annually reviewing material impacts, setting goals and targets within the Sustainability Agenda, and observed throughout the ESG Governance model.

Etteplan's process to manage material risks related to own workforce are currently separate from existing risk management process, however, these processes are being integrated for the next reporting period.

Table S1-4. Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

Social and human rights matters	Actions
Health and safety (Actual negative and positive impacts, financial risk)	Etteplan follows Health and Safety management in several levels. From top down, health and safety risks are part of our Enterprise Risk Assessment, site specific risk assessment, and when needed, work task specific risk assessments. Risk assessments include identification, assessment, controls and mitigation actions for each risk. - eLearning course on Health and safety is mandatory to all employees: Occupational Safety eLearning. - Occupational health care is in use in all Etteplan countries. EtteplanGO wellness challenge is conducted annually via HeiaHeia app. In 2024 more than 120 global teams and over 1200 etteplanians took part in this challenge. The application HeiaHeia is available throughout the year.
Gender equality and equal work for equal pay (Actual negative and potential positive impacts, potential financial risk and opportunity)	Etteplan's Sustainability Metrics and Targets have been set in 2024 for an annual target in diversity in dimension gender which will be reported on annually. Recruiters use DEI guidance in recruitment. Etteplan started to prepare for the EU Pay Transparency Directive during 2024. We track the gender pay gap and will publicly report on our progress starting in 2024, aiming to increase the number of women in the company each year. Etteplan is a member of the Women in Tech Network with the opportunity to participate in and organize a variety of events..
Training and skills development (Actual positive impact, potential negative impact, financial opportunity)	Etteplan publishes open positions for employees in Finland via email communications regularly. Etteplan's Career Model is a systematic way of defining each job in relation to other jobs in our global organization and it includes all functions and roles globally. Career Model is used in recruitment, job rotation as well as in annual PDP discussions. PDP discussions are a transparent way to show the development possibilities at Etteplan. We encourage our employees to pursue further training and offer internal training programs on various topics. Employees have access to various eLearning courses during onboarding and employment allowing them to engage in independent learning in their own time and at their pace. A significant part of learning occurs through working in customer teams on various projects, enabling our experts to gain experience in different technologies and industries. Etteplan has set Sustainability Metrics and Targets for employees to conduct Code of Conduct training. The target is to increase the understanding of Business Ethics by requiring 100% implementation of the Code of Conduct, requiring a review every two years.
Diversity (Actual positive impact and financial opportunity)	Happy DEIs is a global community-lead initiative that aims to create awareness and understanding of diversity, equity, and inclusion at Etteplan. DEI community publishes regular articles to employees in Etteplan intranet. It also organizes quarterly Happy Hour with Etteplan supervisor panel to discuss DEI related topics. The session is available for all the employees. Etteplan has created an eLearning course on Diversity, Equity & Inclusion (DEI) available to all personnel. The course will be incorporated into the onboarding materials for new employees. Etteplan advances DEI by encouraging open discussion and networking, sparking interest, and providing chances to learn more. Etteplan continuously measures and improves well-being and inclusion in the workplace. We have set an annual target of 4 out of 5 for Etteplan Equity and Inclusion Index which is measured in our employee engagement survey FuturETTE.
Adequate wages (Actual negative and potential positive impacts)	Etteplan compensation and incentive plans aim to drive and reward value-based behavior, high performance and excellent results. Global salary tables are used to aim for consistent and structured way of compensating employees. Etteplan has built core sustainability metrics and targets within environmental, social, and governance factors where compensation equality between genders is a target.

Actions to mitigate negative impacts are enforced by our Code of Conduct, which is enforced by a mandatory eLearning to be completed every two years ensures that all Etteplan employees are aware of the standards that we adhere to.

Metrics and targets

S1-5 - TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS

Etteplan has set the following targets relating to own workforce factors to manage material impacts, risks, and opportunities based on the DMA conducted 2023-2024:

- Etteplan is committed to equal treatment and opportunities for all and a specific target is set to ensure compensation equality between genders.
- Etteplan promotes equity and inclusion within its own workforce and a target has been set to score 4 out of 5 or above in the Etteplan Equity and Inclusion Index measured in our internal personnel survey FuturETTE.
- Etteplan is committed to promoting diversity of the work community and the specific target under this theme is to increase the number of women in the company. The percentage of women in



Etteplan relative to the percentage of women Science and Technology graduates in Etteplan countries is used as a metric.

Etteplan’s own workforce was engaged directly in setting targets through ESG questionnaires and interviews, the Steering Group decided on the Targets after which the Management Group decided on material topics and targets. (See also Table below)

The ESG Steering Group is in charge of setting targets of the Sustainability Agenda, with the review and approval of the Management Group, and Board of Directors following. In addition, it is the members of the ESG Steering group and their respective representatives who deliver the results of the data and track the results that are reviewed annually.

Employee experience is measured in several surveys during the year (e.g. employee engagement survey FuturETTE). The results are used to identify lessons or improvements which is led by the Management Group and implemented either globally, locally or individually.

As the ESG targets relating to material topics were set in 2024, there are currently no results to review. However, the Management Group and ESG Steering Group will lead the review of the targets and metrics, identifying lessons and improvements resulting from the performance.

The scope of the target is applicable to all Etteplan employees. The period to which the target applies is continuous. Each target will be reviewed on an annual basis to ensure that development continues or results are upheld even when target is reached.

Etteplan set the targets based on results from the Double Materiality Assessment (DMA) finalized in the

beginning of 2024, and alignment with national, EU, and international law. These targets support the development of sustainability topics at Etteplan based on them being the most critical material topics determined by the DMA. They also contribute to the wider context of sustainable development by setting the standard within Etteplan and other companies within the industry and community.

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

Social and human rights matters	Targets
Health and safety (Actual negative and positive impacts, financial risk)	Our global target for Health and Safety is zero accidents. Refer to the QEHS policy. Etteplan countries can also set country specific targets for local development.
Gender equality and equal work for equal pay (Actual negative and potential positive impacts, potential financial risk and opportunity)	Etteplan’s Sustainability Metrics and Targets are set for a percentage of women in Etteplan relative to the percentage of women Science and Technology graduates in Etteplan countries. Weighted average in proportion to the size of Etteplan in the countries.
Training and skills development (Actual positive impact, potential negative impact)	Percentage of people trained in the Code of Conduct in 2024 is 100% as set in Etteplan’s Sustainability Metrics and Targets. 100% of employees will complete PDP (Personal Development Plan) discussion annually.
Diversity (Actual positive impact and financial opportunity)	Etteplan’s Sustainability Metrics and Targets has set an annual target of 4 out of 5 for Etteplan’s E&I Index which is measured in our annual employee engagement survey FuturETTE.
Adequate wages (Actual negative and potential positive impacts)	Etteplan follows local legislation as a basis of adequate wages. Compensation equality between genders is a target in Etteplan sustainability metrics and targets within environmental, social, and governance factors.

S1-6 – CHARACTERISTICS OF THE UNDERTAKING'S EMPLOYEES

The following data represents the characteristics of all of Etteplan's employees. Characteristics of Etteplan's employees are published in the Annual Review.

The **total** number of employees who have left Etteplan during the reporting period: 636. Number of former employees includes employees who leave voluntarily or due to dismissal, retirement, death in service or any other reason.

The rate of employee turnover in the reporting period: 16,5%.

Employee turnover % is calculated for current year from all former employees with all contract types and dividing it by the average headcount of the reporting year. Number of former employees includes employees who leave voluntarily or due to dismissal, retirement, death in service or any other reason.

Data is internally collected from the global HR system Sympa. Sympa is a tool for managing Etteplan's personnel data throughout the employment life cycle in all the operating countries. Sympa consists of personal, employment and organizational data. It is also used as a tool for key HR processes such as onboarding, PDP discussion and competence management. Sympa is a master system providing information to other systems, such

as AD, ERP and salary systems. We aim for organized data environment with unified methodologies and assumptions in all Etteplan operating countries to ensure reliable and real-time data for reporting.

Employee numbers are reported in head count and derived from the global HR system Sympa at the end of the reporting period. The metrics have not been validated by a third-party.

Table S1-6-1. Information on employee head count by gender

Gender	Number of employees
Male	2,852
Female	949
Other*	2
Not reported	0
Total Employees	3,803

* Other: Non-binary/don't want to specify

Table S1-6-2 Employee head count in countries

Country	Total	%
Finland	1,882	49.5%
Sweden	708	18.6%
Germany	477	12.5%
China	397	10.4%
Poland	187	4.9%
Netherlands	136	3.6%
Denmark	15	0.4%
United States	1	0.0%
Total	3,803	100%

Table S1-6-3 Employees by contract type broken down by gender

Headcount December 31, 2024	Female	Male	Other*	Not disclosed	Total
Number of employees	949	2,852	2	0	3,803
Number of permanent employees	855	2,633	2	0	3,490
Number of temporary employees	94	219	0	0	313
Number of non-guaranteed hours employees	N/A	N/A	N/A	N/A	
Number of full-time employees	781	2,653	2	0	3,436
Number of part-time employees	168	199	0	0	367

*Other: Non-binary/don't want to specify

The most typical form of employment at Etteplan is a permanent employment relationship with a probationary period in the beginning of the employment according to local legislation.

Fixed-term employment is used mainly for substitutions e.g. during a longer leave of permanent employee. A project-based job may also be a reason for a fixed-term employment, or additional workforce is needed to balance out a temporary or seasonal increase in the workload. We strive to offer students and new graduates fixed-term trainee and internship positions in various parts of the company. Employment types vary across countries. Etteplan consistently adheres to the regulations established by local laws or labor relations agreements in all countries.

Table S1-6-4 Employees by contract type and country

Headcount December 31, 2024	Finland	Sweden	Germany	China	Poland	Netherlands	Denmark	USA	Total
Number of employees	1,882	708	477	397	187	136	15	1	3,803
Number of permanent employees	1,847	702	465	147	186	129	13	1	3,490
Number of temporary employees	35	6	12	250	1	7	2	0	313
Number of non-guaranteed hours employees	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Number of full-time employees	1,761	673	345	386	176	81	13	1	3,436
Number of part-time employees	121	35	132	11	11	55	2	0	367

S1-9 – DIVERSITY METRICS

Data is internally collected from the global HR system Sympa.

Etteplan's Management Group (i.e., top management) consists of nine members, six of whom are male (67%) and three of whom are female (33%).

Table S1-9 – Diversity metrics

	Number of employees	Percentage (%) of employees
Top-management level	9	0.2%
Under 30 years old	613	16%
Between 30 and 50 years old	2,130	56%
Over 50 years old	1,060	28%

S1-10 – ADEQUATE WAGES

Etteplan complies with all local, national, and international laws and regulations to ensure appropriate working conditions and all employees in

Etteplan's operating countries are paid adequate wage, in line with applicable benchmarks.

S1-14 – HEALTH AND SAFETY METRICS

The following data is internally collected from each Etteplan business country's OHS systems and insurance companies' information. We aim for organized data collection with unified methodologies and assumptions in all Etteplan operating countries to ensure reliable and real-time data for reporting.

Percentage of people who are covered by health and safety management system based on legal requirements and (or) recognized standards or guidelines: 100 %

Number of fatalities as result of work-related injuries and work-related ill health: Zero, no fatalities within 2024.

Number of fatalities as result of work-related injuries and work-related ill health of other workers working on undertaking's sites: Zero, no fatalities within 2024.

Number of recordable work-related accidents for own workforce: Six (6) cases.

Rate of recordable work-related accidents for own workforce: 1,00 (per million hours)

Number of cases of recordable work-related ill health of employees: Zero (0) cases.

Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health related to employees: 18 days.

S1-16 – COMPENSATION METRICS (PAY GAP AND TOTAL COMPENSATION)

Data is internally collected from the global HR system Sympa and local payroll data.

Table S1-16-1 Gender pay gap

Gender	Gender Pay Gap
Female	
Male	14%
Total	

Full-time active employees December 31, 2024.

Country gender pay gaps weighted in relation of the headcount number. In the salary discrepancy calculations, the impact of education, job levels, or job demands was not considered. There are few women in leadership positions in the technology sector. Within Etteplan's Sustainability Agenda, one of the targets is compensation equality between genders.

Table S1-16-2 Annual total remuneration ratio

Annual total remuneration in 2024	Annual total remuneration ratio
CEO	
Median for all employees	11.8

Full-time active employees December 31, 2024.

Annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual).

S1-17 - INCIDENTS, COMPLAINTS AND SEVERE HUMAN RIGHTS IMPACTS

Table S1-17 - Incidents, complaints and severe human rights impacts

Incidents, complaints and severe human rights impacts	Integer
Number of incidents of discrimination	0
Number of complaints filed through channels for people in own workforce to raise concerns	2
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	0
Amount of material fines, penalties, and compensation for damages as result of violations regarding social and human rights factors	0
Amount of material fines, penalties, and compensation for damages as result of violations regarding social and human rights factors	0
Number of severe human rights issues and incidents connected to own workforce	0
Number of severe human rights issues and incidents connected to own workforce that are cases of non-respect of UN Guiding Principles and OECD Guidelines for Multinational Enterprises	0

No severe human rights issues and incidents connected to own workforce have occurred.

Amount of material fines, penalties, and compensation for severe human rights issues and incidents connected to own workforce: Zero (0) Euros.



SOCIAL INFORMATION

ESRS S2 Workers in the value chain Strategy

SBM-2 INTERESTS AND VIEWS OF STAKEHOLDERS

Please see ESRS SBM 2 Interests and views of stakeholders for more information.

As mentioned ESRS 2 SMB-3, in 2024 the process of developing a new business strategy began. Part of developing the new business strategy included observing sustainability-related impacts, risks and opportunities within the process. Part of the response was to include these topics within the development of the new strategy.

The Management Group had two workshops where impacts, risks, and opportunities (IRO) were discussed in the upstream and downstream value chain to develop a Sustainability Agenda.

SBM-3 MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

The types of value chain workers subject to material impacts by Etteplan's own operations or through the value chain includes workers working for entities in the undertaking's upstream value chain, such as external consultants that support in business operations.

Other value chain workers include those working for entities in the undertaking's downstream value chain, external consultants that support Etteplan in customer projects. Workers that could be negatively affected based on the materiality assessment could include minority groups, as diversity and gender pay gap were identified as material topics, however, have none been identified to have serious negative effects within Etteplan's value chain.

Concerning risks associated with geographies or commodities, although risks related to mineral sourcing activities exist, they were not identified as significant material topics for Etteplan's business activities and value chain.

Material negative impacts on value chain workers concerning health and safety are typically associated with individual incidents. In contrast, issues related to diversity, equal opportunity, and training and development may be more widespread.

Activities at Etteplan that result in positive impacts and types of value chain workers that are positively affected or could be positively affected include conducting a Human Right Due Diligence (HRDD) process and developing a Supplier policy and Supplier Code of Conduct, Etteplan sets an example and standard for how all partners are expected to conduct themselves.

Etteplan expects their suppliers and customers to abide by local and international laws, as well as Etteplan's Code of Conduct.

Etteplan will work with the supplier to develop appropriate improvement targets where needed - Supplier Code of Conduct.

Etteplan does not have material risks or opportunities arising from impacts and dependencies on value chain workers.

Impact, risks and opportunity management

S2-1 POLICIES RELATED TO VALUE CHAIN WORKERS

Through the double materiality analysis, Etteplan has identified the following material topics related to value chain workers:

- Working conditions: health and safety
- Gender equality and equal pay for work of equal value.

Etteplan has the following policies to manage material impacts, risks and opportunities related to all value chain workers. All policies are publicly available to all stakeholders, e.g. potentially affected stakeholders and stakeholders that need to help implement them:

- **Etteplan Code of Conduct**
Our Code of Conduct document serves to transparently articulate and convey our shared ethical values and business principles to every employee, stakeholder, and partner. The Code of Conduct addresses both health and safety of employees, as well as committing to equal pay for

equal work in the commitment to not mistreat or discriminate. Etteplan Code of Conduct applies to all Etteplan functions and every employee in all areas of operation, including employees working at our customers' premises. It also applies to all Etteplan's business partners and their employees. All Etteplan's business partners should adopt and follow the principles of the Code. Customers, many of whom have set a Code of Conduct of their own, are also encouraged to act according to these same standards. For more information on the Code of Conduct please see G1-1.

- **Supplier Code of Conduct**
The Etteplan Supplier Code of Conduct is a legally binding document that outlines Etteplan's commitment to the highest ethical standards and compliance with international and national laws. The code requires our suppliers to familiarize themselves with and adhere to it. The Supplier Code of Conduct requires its suppliers to commit to supporting the abolition of discrimination, and establish appropriate organizational structures and procedures for the effective management of health, safety, and environmental risks. Etteplan's goal is to ensure good faith, high product and service quality, fair pricing, and excellent after-sales service in all agreements.
- **Supplier Policy**
Supplier Policy outlines Etteplan's commitment to building a smarter, more efficient, and sustainable

world through diverse expertise and collaboration. We emphasize the importance of high-quality, timely, and cost-effective supply chain management. Etteplan's suppliers are integral to our mission, and we expect them to adhere to our Supplier Code of Conduct, ensuring sustainability, quality, and continuous improvement in their performance. One of these performance indicators includes health, and safety improvements, in addition to referring to the Supplier Code of Conduct for more in-depth requirements.

Also, Etteplan has policy related to a specific group of value chain workers – workers in mineral sourcing:

- **Etteplan Responsible Mineral Sourcing Policy**
Etteplan Responsible Minerals Sourcing Policy defines our commitment and requirements towards socially and environmentally responsible operations in regard to conflict minerals. As a part of our corporate responsibility, we are committed to complying with all applicable laws, including laws and regulations related to so-called conflict minerals such as tin, tantalum, tungsten, gold and cobalt. In this policy, Etteplan is committed to ensuring the health, safety and protection of people who come into contact with our products and business. For this reason, the policy requires high social, environmental and human rights standards also among our suppliers.

The CEO is accountable for the implementation of all these policies.

Relevant human rights policy commitments related to value chain workers are Etteplan Code of Conduct, Supplier Code of Conduct and Etteplan Responsible Mineral Sourcing Policy.

Etteplan's general approach in relation to respect for human rights relevant to value chain workers is that it respects all internationally recognized human rights, including those outlined in the International Bill of Human Rights, and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. Etteplan is also committed to the United Nations Guiding Principles on Business and Human Rights (UNGP) and is a participant in the UN Global Compact. Especially related to workers in the value chain, Etteplan requires its suppliers to:

- Respect all human rights as established by international treaties and conventions and are committed to the United Nations Principles on Business and Human Rights.
- Respect the right of all personnel to form and join trade unions of their choice and to bargain collectively
- Support the abolition of any form of forced and compulsory labor, child labor and discrimination in respect of employment and occupation
- Suppliers must not recruit children under the age of 15 or below the national minimum age set in local laws, if the latter is higher (ILO's Minimum Age Convention No 138). Suppliers must also ensure that hiring young people between

the minimum age and the age of 18 does not jeopardize their education, health, safety or mental development

- Work against corruption in all its forms, including extortion and bribery
- Etteplan expects its suppliers to apply similar requirements in their own supply chain organizations
- Comply with all applicable laws and regulations, the requirements set out in Etteplan Code of Conduct, and your contractual obligations to us
- Establish appropriate organizational structures and procedures for the effective management of health, safety, and environmental risks. Ensure that all employees are sufficiently aware of these risks and appropriately trained in the implementation of control measures
- Comply with regulatory and customer requirements regarding the prohibition and restriction of substances and conflict minerals
- Implement a policy regarding conflict minerals and exercise due diligence to investigate the source of these minerals
- Respect collective agreements, fair wages and benefits
- Comply with applicable laws regarding working hours, minimum wages, overtime, sufficient breaks and rest time, sick leave, and annual holidays, as well as parental leave and mandatory benefits (e.g. social security), and have appropriate records of these in place. Compete independently, ethically, and in compliance with all applicable laws and

regulations, including antitrust laws, i.e. fair competition

- Have a function for Whistleblowing and protection against retaliation

Etteplan seeks to engage in active and open dialogue with its stakeholders. Continuous dialogue is important for Etteplan's ability to respond to our stakeholders' changing expectations regarding our operations.

Stakeholders – including value chain workers – are engaged through various means, e.g. including meetings, events, surveys, audits, feedback channels, reporting channels, and working groups.

Etteplan's approach in relation to measures to provide and (or) enable remedy for human rights impacts includes Etteplan's Whistleblowing service which enables anyone to voice concerns or report non-compliance in confidence. It provides the option of anonymity, while enabling communication with the person voicing a concern or report non-compliant behavior. All reports submitted to the Whistleblowing tool are treated with care and processed in a safe and secure environment. The measures to provide or enable remedies are outlined in sections G1-1 and G1-3.

The policies that explicitly address trafficking in human beings, forced labor or compulsory labor and child labor are Etteplan Code of Conduct and Supplier Code of Conduct.

Etteplan has supplier code of conduct which is available both internally and online. The policies are aligned with relevant internationally recognized instruments, such as United Nations Guiding Principles on Business and Human Rights (UNGP), ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises.

Etteplan does not have cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises that involve value chain workers. The process for possible cases is described in section G-1.

S2-2 PROCESSES FOR ENGAGING WITH VALUE CHAIN WORKERS ABOUT IMPACTS

Information from value chain workers contribute to decisions or activities aimed at managing actual and potential impacts by selecting suppliers based on their technical capability to provide specific raw materials, components, systems, or services, while meeting our criteria for sustainability, quality, cost, and delivery. The required level of qualification and audits will be determined by the product or service's criticality, processing complexity, potential liability, and annual spend. All suppliers must align with Etteplan's Supplier Policy and pass

the necessary qualification and audit processes to become an approved Etteplan supplier. Reflection and feedback meetings with suppliers occur on an annual basis, unless otherwise agreed.

Etteplan requires its suppliers, for example, to:

- Comply with all applicable laws and regulations, the requirements set out in Etteplan Supplier Code of Conduct, and contractual obligations to Etteplan
- Establish appropriate organizational structures and procedures for the effective management of health, safety, and environmental risks
- Ensure that all employees are sufficiently aware of these risks and appropriately trained in the implementation of control measures
- Have a function for whistleblowing and protection against retaliation

Etteplan's Whistleblowing service is enabled for anyone – including value chain workers - to voice concerns or report non-compliance about issues related to co-operation with Etteplan. Any reporting within the Whistleblowing tool will directly affect decisions or activities aimed at managing actual and potential impacts.

Etteplan's engagement with value chain workers differs based on the nature of the co-operation and business activities. Engagement occurs directly with value chain workers or legitimate representatives or with credible proxies.

Perspectives of value chain workers are being passed through supplier selection process, audits or normal collaboration during projects and day-to-day communication e.g. including meetings, events, surveys, feedback channels, reporting channels, and working groups.

The CEO and country management are the most senior roles within Etteplan that have operational responsibility for ensuring that engagement happens, and that results from engagement inform Etteplan.

Etteplan expects its suppliers to respect all internationally recognized human rights, including those outlined in the International Bill of Human Rights and the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work. Etteplan requires its suppliers to commit to the United Nations Principles on Business and Human Rights.

Effectiveness of engagement with value chain workers is assessed by monitoring supplier performance to ensure continuous improvement, working together to establish and achieve improvement targets. Suppliers are expected to collaborate with Etteplan to continuously improve their performance and processes. Etteplan may adjust the level of control based on the supplier's performance.

Etteplan has evaluated human rights risks in its operating countries to understand vulnerable people groups to impacts and (or) marginalized. Etteplan will develop its due diligence process respectively to gain insight from vulnerable and (or) marginalized value chain workers, if necessary.

S2-3 PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR VALUE CHAIN WORKERS TO RAISE CONCERNS

The general approach to and processes for providing or contributing to remedy where Etteplan has identified that it connected with a material negative impact on value chain workers includes the following.

Etteplan's Whistleblowing is a service enabling anyone – including value chain workers - to voice concerns or report non-compliance in confidence.

Etteplan also will work with the supplier to develop appropriate improvement targets where needed. Based on the supplier's performance, Etteplan may modify the level of control exercised. In the case of repeated poor performance or failure to improve, suppliers will be removed. Once deliveries of raw materials, components, systems, or services have begun, Etteplan may monitor the supplier's performance to establish a trend of continuous improvement.

Etteplan has specific channels in place for value chain workers to raise concerns or needs directly with undertaking and have them addressed, Etteplan's Whistleblowing tool is available on Etteplan's website. The value chain workers can also contact Etteplan's Human Resources directly.

Etteplan supports the availability of channels by requiring its suppliers to adhere to Etteplan's Code of Conduct and Supplier Code of Conduct. Suppliers must provide mechanisms for their employees and stakeholders to raise concerns or grievances, with appropriate practices in place to address such cases.

The assessment that value chain workers are aware of and trust structures or processes as way to raise their concerns or needs and have them addressed can be found in more detail in G1-1. More information on value chain workers awareness of and trust in these structures or processes can be found in G1-1 and G1-3. The Code of Conduct outlines the protection of individuals that use these tools against retaliation. Etteplan has a specified process description for handling all whistleblowing reports. All reports are processed confidentially with regard to both the whistleblower and the person under suspicion. Possible corrective measures are taken without delay. Etteplan also has internal whistleblowing protocols with different tiers (1-4) depending how serious the offense is deemed. All reports are handled following these protocols.

Policies regarding protection against retaliation for individuals that use channels to raise concerns or needs are in place, Etteplan has zero tolerance for any form of retaliation of any kind against individuals who voice their concerns, report misconduct, or assist in investigations of possible violations. Etteplan ensures complete confidentiality for anyone reporting suspected violations. There will be no retribution or punishment for any individual who reports a suspected violation in good faith, even if this claim is later found to be without merit.

All reports via the Whistleblowing channel are processed following the EU's Whistleblower Directive by the Senior Vice President for Human Resources, The Chief Financial Officer, and the HR Director of the Company's Finnish operations. Only the aforementioned persons have access to the Whistleblowing channel and to reports left in the channel.

S2-4 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 ACTION

Key actions taken related to the material topics in the reporting year were:

- Identifying material topics related to workers in the value chain in the DMA
- Preparing Supplier Code of Conduct
- Human Rights Due Diligence Process

No significant operating or capital expenditures are required as no actual material impacts were identified.

For the upcoming years, Etteplan plans to develop its Supply Chain management by developing a Supplier Qualification Program and following the implementation of the new Supplier Code of Conduct and Supplier Policy.

The main scope of these key actions is the downstream value chain workers globally.

The material negative impacts that were identified were ones that may occur if Etteplan's supplier is not committed to Etteplan's Code of Conduct and Supplier Code of Conduct. This also causes

a financial risk. The actions planned to prevent these negative impacts were to prepare a separate Supplier Code of Conduct to amend the existing Code of Conduct and to underline the expectations Etteplan has for its suppliers.

Additional initiatives or processes with primary purpose of delivering positive impacts for value chain workers at Etteplan during the year 2023, included exploring the possibilities to participate in joint initiatives related to value chain impacts in the industry such as Digitaliserings Konsulterna (Sweden) and the UN Global Compact (Global).

Effectiveness of actions or initiatives in delivering outcomes for value chain workers is tracked and assessed by developing its Supplier Qualification Program in the near future to create processes for identifying actions needed in response to actual and negative impacts on value chain workers.

The Whistleblowing process also allows Etteplan to identify and observe material impacts on value chain workers.

The Whistleblowing process in G1-1 describes the actions taken in the case of negative impacts on value chain workers. In 2024, there have been no whistleblowing reports related to the value chain. The Supplier Qualification program will also provide a channel for more efficient and structured communication within the value chain. However,

the Current Supplier Policy and Supplier Code of Conduct set the tone for the expectation that Etteplan has for its partners.

Etteplan will start developing its Supplier Qualification Program in 2025 to create processes for identifying actions needed in response to actual and negative impacts on value chain workers.

Actions planned to mitigate material risks in relation to value chain workers include the development of the existing supplier qualification program, which will allow Etteplan to track information on the standards that Etteplan expects its partners to adhere to the Supplier Policy, Supplier Code of Conduct, and own Code of Conduct. Etteplan has also integrated workers in the value chain into risk management processes through the Human Rights Due Diligence (HRDD).

As outlined in S1-4, the HRDD process was developed in 2024, and the actions derived from the HRDD process have been implemented in 2024, and will continue in 2025. The Sustainability Agenda itself includes some time horizons regarding targets for each of the goals, however much of the development of the actions will be reviewed annually and developed accordingly.

Actions planned to pursue material opportunities in relation to value chain workers will be reviewed and developed in 2025.

Ensuring good governance practices is done by continuing to develop the supplier qualification program, along with the enforcement of the Supplier Policy, Supplier Code of Conduct, and Etteplan's own Code of Conduct. The Whistleblowing reporting channel is one way in which any issues can be disclosed if needed.

There have not been any severe human rights issues or incidents connected to upstream or downstream value chain.

Resources allocated to management of material impacts includes the ESG Steering Group who act as an advocate for initiatives and projects across the wider organization. It sets the targets and allocates resources for projects. The ESG Steering Group also provides advice or direct input on budgeting, it is led by SVP Marketing and Communications. Additional resources include Supplier Manager, and office personnel responsible for supplier relationships and Key Account Managers responsible for customer relationships.

Metrics and Targets

S2-5 - TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS, AND MANAGING MATERIAL RISKS AND OPPORTUNITIES

Etteplan has no targets related to its impacts, risks and opportunities regarding the value chain workers. Etteplan is developing its value chain management in the future.

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GOVERNANCE INFORMATION

ESRS G1 – Business conduct Governance

ESRS 2 GOV-1 – THE ROLE OF THE ADMINISTRATIVE, SUPERVISORY AND MANAGEMENT BODIES

Supervision and management of Etteplan Oyj is divided among the General Meeting of the Shareholders, the Board of Directors, and the CEO. The CEO is assisted by the Management Group in the operative management of the Company and in coordinating its operations.

General Meeting

The highest decision-making body in the Company is the General Meeting where the shareholders exercise their decision-making power. Each company share entitles the holder to one vote at

a General Meeting. The company must hold one General Meeting for shareholders annually, by the end of June. An Extraordinary General Meeting will be held, if the Board of Directors deems it necessary or if it is requested in writing by a company auditor or shareholders holding a minimum of 10 percent of the company's shares, for the purpose of discussing a specific issue. A shareholder may exercise their right to speak, ask questions and vote at the General Meeting. The matters to be considered at the Annual General Meeting are specified in section 8 of Etteplan's Articles of Association and in Chapter 5, Section 3 of the Companies Act.

Board of Directors

The Board of Directors is responsible for the company's management and for the due organization of the Company's operations in accordance with the relevant legislation and the company's Articles of Association. The Board of Directors controls and monitors the company's operational management, appoints and dismisses the CEO, and approves the major decisions affecting the company's strategy, capital expenditures, organization, remuneration and bonus systems covering the management, and finances. The Board of Directors also approves the principles of risk management and ensures the proper operation of supervision of the management system.

According to the Articles of Association, the Board of Directors shall have a minimum of three and a maximum of seven members. The Annual General Meeting shall elect the Board of Directors for a term of one year at a time. The Board of Directors meets as often as appropriate fulfilment of its obligations requires.

The majority of the members of the Board shall be independent of the Company. In addition, at least two of the members of the Board representing this majority shall also be independent of significant shareholders of the Company.

The Board of Directors recognizes the benefits of a diverse and broad-ranging Board composition to the Company and its shareholders. The successful performance of the duties of the Board and its Committees requires diverse composition, know-how and experience. The diversity must support the current development stage of the Company and meet the future development needs of the Company's operations and business. The principles supporting the diversity of the Board of Directors are e.g. knowledge of the Company's industry, sufficient, diverse, and complementary experience as well as comprehensive experience in different areas of the business of the Board members. The nomination and Remuneration Committee of the Board takes the diversity principles into account when making the proposal on the composition of the Board to the Annual General Meeting each year.

When composing the Board of Directors the objective is that the Board consist of a sufficient number of members who have complementary competence profiles. A member of the Board must possess the competence and the educational background required by the task and the possibility to allocate sufficient time required for the task. The composition of the Board aims to ensure that it has extensive know-how on the essential strategic focus areas of the Company now and in the future. The Board of Directors is composed of female and male members.

The same principles are applied when composing the Company's Management Group.

Board committees

The Board of Directors of Etteplan Oyj has an Audit Committee and a Nomination and Remuneration Committee. The committees are not decision-making or executive bodies but assist the Board in the decision-making falling under the scope of each committee.

The task of the Audit Committee is to assist the Board of Directors in ensuring that the Company's financial reporting and accounting principles as well as the financial statements and other financial information given by the Company comply with laws and regulations and are transparent, explicit and clear. The Committee consists of three to four members of the Board of Directors. It convenes on

a regular basis at least four times a year before the Company's interim or half year financial reports and financial statements are published.

The task of the Nomination and Remuneration Committee is to assist the Board of Directors in matters related to the appointment and compensation of the Company's CEO and Management Group. In addition, the Committee prepares for the Annual General Meeting a proposal on the number of Board members, Board composition and Board member compensation. The Committee also prepares the remuneration policy and remuneration report for the Company's governing bodies.

CEO

The CEO is responsible for managing the Group's day-to-day operations in accordance with the rules and instructions issued by the Board of Directors. The CEO may take measures that are unusual and far-reaching regarding the scope and nature of the Company's operations, but only with authorization from the Board of Directors. The CEO is responsible for ensuring that the Company's accounting complies with the applicable legislation and that its asset management is arranged in a reliable manner. The CEO attends the Board meetings, but he is not a member of the Board of Directors. The CEO also participates in the work of Board Committees. The Board of Directors appoints the CEO and terminates this employment as well as monitors the CEO's activities.

Management Group

The CEO appoints members to the Management Group who are appropriate from the standpoint of line operations. The Management Group assists the CEO and also develops and monitors all matters entrusted to the Company's management, including those connected with the Group and business unit strategies, acquisitions, and major capital expenditures, divestments, the Company's image, monthly reporting, interim and half year financial reports and financial statements, corporate responsibility, investor relations, sustainability reporting, and the main principles of the human resource policy. The Board of Directors approves the appointment of the Management Group members. The members of the Management Group report to the President and CEO.

Impact,
risk and
opportunity
management

ESRS 2 IRO-1 – DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

The Materiality Assessment process was conducted through a mix of Management Group workshops,

Management Interviews, Audit Committee review, and employee surveys. When conducting the Double Materiality Assessment Etteplan took its location, activity, and sector in to consideration. See ESRS 2 IRO-1 for detailed description of the process.

Through the double materiality analysis, Etteplan has identified the following material topics related to Governance:

- Corporate culture
- Protection of Whistleblowers
- Management of relationships with suppliers including payment practices
- Corruption and Bribery

Etteplan has the following policies to manage material impacts, risks and opportunities related to Governance as seen in the table below.

The management of all Governance-related material impacts, the most senior person responsible for implementing is the President & CEO.

ESRS standard	Topic	Sub-topic	Sub-sub-topic	Related Policy	Related target
ESRS G1	Business Conduct		Corporate culture	Code of Conduct	100% of people trained to Code of Conduct
			Protection of whistle-blowers	Code of Conduct	
			Management of relationships with suppliers including payment practices	Supplier Policy, Supplier Code of Conduct	
	Corruption and Bribery		Prevention and detection including training	Code of Conduct	Zero corruption and bribery cases reported

G1-1 – BUSINESS CONDUCT POLICIES AND CORPORATE CULTURE

The basis for Etteplan's corporate culture comes from Etteplan Code of Conduct. The Code of Conduct is a set of guidelines which should help to clearly define our behavior and cooperation with internal and external stakeholders. It aims to clarify and provide practical guidance for everyday work and decision-making. Our Code of Conduct is a great tool to share company values with our customers and also set expectations for our partners' conduct.

As part of promoting its corporate culture, In 2022, Etteplan introduced the Happy DEIs initiative as a collaborative effort to enhance employee engagement, learning, and well-being. DEIs stands for diversity, equity, and inclusion, which reflects Etteplan's commitment to creating an inclusive workplace environment that attracts individuals from diverse backgrounds. The organization recognizes that employees who experience high levels of well-being are crucial assets and contribute to its competitiveness. These individuals bring fresh perspectives and innovative ideas to our solutions, fostering a community where everyone's voice is valued.

To promote its corporate culture Etteplan offers a vast range of eLearning materials to its employees. Some courses are mandatory for all employees, and e.g. the Code of Conduct eLearning course will

be repeated every two years. In 2024, an eLearning course related to our Happy DEIs initiative has also been added to the course selection.

In 2024, Etteplan published renewed values, and they were implemented throughout the organization in joint workshops and on the intranet.

Etteplan evaluates its corporate culture through an employee engagement survey. Our employee engagement survey is called FuturETTE, which is conducted globally in Etteplan on a regular basis. FuturETTE gives employees an opportunity to express their opinions and contribute to both the workplace's and Etteplan's future development.

At Etteplan, we are constantly improving our working culture. Each of us has an impact on it because, after all, we are each other's working environment. Every year numerous development actions are accomplished throughout our global organization based on survey feedback.

Etteplan has a Code of Conduct, which is a written set of rules and principles that describe the norms, practices and responsibilities of the Company. The document serves to transparently articulate and convey our shared ethical values and business principles to every employee, stakeholder, and partner. All Etteplan employees and partners are expected to comply with Etteplan Code of Conduct.

Etteplan has an anonymous Whistleblowing channel through which both Etteplan employees and external stakeholders can report, for example, potential ethical violations, violations against the Company's insider policy, or suspected infringements of financial markets regulations, such as Market Abuse Regulation (MAR) and the Securities Markets Act. The aim of the Whistleblowing channel is to promote compliance with good governance in the Company's daily activities and prevent misconduct and violations. Reports of any misconduct or violations coming through the Whistleblowing channel are reviewed on a regular basis, as is the efficacy of the Whistleblowing process itself.

Etteplans Whistleblowing channel can be accessed either through the Company's website (external stakeholders) or intranet (employees). All Whistleblowing reports are treated with care and processed confidentially in a secure environment through a third party company (Falcony). All reports are processed following the EU's Whistleblowing Directive by the global Senior Vice President for Human Resources, the global Chief Financial Officer, and the HR Director of the Company's Finnish operations. Reports can be made anonymously.

Safeguards for reporting irregularities at Etteplan including Whistleblowing protection. Whistleblowers have various channels to report suspected ethical offenses.

- Etteplan employees can always speak to their supervisors
- Etteplan employees and Etteplan's partners, customers, and other external stakeholders can also contact Etteplan HR (e.g. Senior Vice President, Human Resources)
- Regarding issues related to use of social media of public discussion Etteplan employees and Etteplan's partners, customers, and other external stakeholders can also contact Etteplan's Senior Vice President, Marketing and Communications

Whistleblowers can also use the Company's Whistleblowing channel and report suspected ethical offenses by leaving a message in the channel.

All reports through the Whistleblowing channel are processed following the EU's Whistleblowing Directive by the global Senior Vice President for Human Resources, the global Chief Financial Officer, and the HR Director of the Company's Finnish operations. All aforementioned persons have received training on how to use the channel and process the reports from the Whistleblowing channel service provider.

Etteplan has zero tolerance for any form of retaliation of any kind against individuals who voice their concerns, report misconduct, or assist

in investigations of possible violations. Etteplan ensures complete confidentiality for anyone reporting suspected violations. There will be no retribution or punishment for any individual who reports a suspected violation in good faith, even if this claim is later found to be without merit.

Etteplan is committed to investigate business conduct incidents promptly, independently and objectively. Etteplan has a specified process description for handling all whistleblowing reports. All reports are processed confidentially with regard to both the whistleblower and the person under suspicion. Possible corrective measures are taken without delay.

Etteplan has specified process for how reports are handled in the Whistleblowing channel. Etteplan also has internal Whistleblowing protocols with different tiers (1-4) depending how serious the offense is deemed. All reports are handled following these protocols.

Etteplan's Code of Conduct is available as a document and eLearning to all employees on the Company's intranet and for all other stakeholders on the official website, where everyone can familiarize themselves with the Company's ethical values and business principles.

The Company's Code of Conduct is a mandatory eLearning for everyone at Etteplan. It is always part

of our onboarding courses for new employees. Every Etteplan employee will repeat the eLearning course every two years.

Etteplan's Code of Conduct states the common guidelines for our corporate culture, where one of the topics is corruption and bribery. We do not tolerate bribery or corruption and no functions have been identified as being most at risk.

G1-2 - MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS

Supplier invoices are paid according to Etteplan's standard payment procedures, i.e. payment review and approval process. Etteplan does not have an established payment policy to prevent late payments. The same payment procedures are also applied to SMEs.

Etteplan's approach in regard to relationships with suppliers includes a Supplier Code of Conduct the purpose of which is Etteplan's determination to comply with the highest ethical standards as well as applicable international and national laws.

In all of its agreements, Etteplan strives for mutual satisfaction and good faith, high product and service quality, fair pricing, and excellent after-sales service. Etteplan treats all stakeholders, including suppliers, with the same mindset as it approaches our customers.

Suppliers are expected to have a Quality and Environmental Management System according to ISO 9001 and ISO 14001, or equivalent as recognized by Etteplan. Etteplan also expects its suppliers and their sub-suppliers to implement energy-efficient solutions and practices in the manufacturing and supply of products and services. In accordance with ISO 14001, suppliers are expected to implement an environmental policy, addressing actions and metrics for the reduction of CO₂ emissions, and ensure that all their operations and processes comply with relevant standards, legislation, and international conventions.

Etteplan Corporate Responsibility principles require that all products and services sold under the Etteplan brand are sourced according to practices that uphold internationally accepted standards. Etteplan aims to ensure that environmental, ethical, social, and health and safety issues, as well as labor practices, are not separate add-on features, but are embedded within all our sourcing processes.

Etteplan requires its suppliers, for example, to:

- Comply with all applicable laws and regulations, the requirements set out in Etteplan Code of Conduct, and your contractual obligations to us.
- Establish appropriate organizational structures and procedures for the effective management of health, safety, and environmental risks. Ensure that all employees are sufficiently aware of these risks and appropriately trained in the

implementation of control measures.

- Have a function for Whistleblowing and protection against retaliation.
- Respect all human rights as established by international treaties and conventions and are committed to the United Nations Principles on Business and Human Rights
- Respect the right of all personnel to form and join trade unions of their choice and to bargain collectively
- Support the abolition of any form of forced and compulsory labor, child labor and discrimination in respect of employment and occupation
- Establish appropriate organizational structures and procedures for the effective management of health, safety, and environmental risks.
- Ensure that all employees are sufficiently aware of these risks and appropriately trained in the implementation of control measures

Confidentiality in business matters is a requirement of doing business with Etteplan. All partners are required to understand General Data Protection Regulation (GDPR). All suppliers are required to sign a Non-disclosure Agreement upon initial discussions with Etteplan. Additionally, a new Non-disclosure Agreement must be signed whenever the circumstances require.

Etteplan will work with the supplier to develop appropriate improvement targets where needed. Based on the supplier's performance, Etteplan may modify the level of control exercised. In the case of repeated poor performance or failure to improve, suppliers will be removed. Once deliveries of raw materials, components, systems, or services have begun, Etteplan may monitor the supplier's performance to establish a trend of continuous improvement.

Social and environmental criteria are taken into account for selection of supply-side contractual partners. Etteplan selects suppliers based on their technical capability to provide specific raw materials, components, systems, or services, while meeting the company's criteria for sustainability, quality, cost, and delivery. All suppliers must align with Etteplan's Supplier Policy and pass the necessary qualification and audit processes to become an approved Etteplan supplier. Suppliers are expected to collaborate with Etteplan to continuously improve their performance and processes.

Etteplan requires its suppliers to comply with Etteplan Supplier Code of Conduct for a sustainable, ethical, and responsible approach to partnerships and business. The purpose of Etteplan's Supplier Code of Conduct is the company's determination to comply with the highest ethical standards as well as applicable international and national laws.

G1-3 - PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

To prevent allegations or incidents of corruption or bribery, Etteplan has a written set of rules and principles, i.e. a Code of Conduct, that describes the norms, practices, and responsibilities of Etteplan and its employees. Our Code of Conduct serves to transparently articulate and convey our shared ethical values and business practices to every employee, stakeholder, and partner.

Etteplan maintains a Whistleblowing service, through which Etteplan's partners, customers, and other external stakeholders as well as Etteplan employees can report concerns, allegations or incidents related to corruption and bribery as well as other misconduct and possible violations. All reports through the Whistleblowing channel are processed following the EU's Whistleblowing Directive by the Senior Vice President for Human Resources, The Chief Financial Officer, and the HR Director of the Company's Finnish operations.

Etteplan has a specified process description for handling all whistleblowing reports. All reports are processed confidentially with regard to both the whistleblower and the person under suspicion. Possible corrective measures are taken without delay.

Etteplan has a specified process for how reports are handled in the Whistleblowing channel. Etteplan also has internal whistleblowing protocols with different tiers (1-4) depending how serious the offense is deemed. All reports are handled following these protocols.

Investigators or investigating committee are separate from chain of management involved in prevention and detection of corruption or bribery. All reports via the whistleblowing channel, including allegations of bribery or corruption, are processed following the EU's Whistleblower Directive by the global Senior Vice President for Human Resources, the global Chief Financial Officer, and the HR Director of the Company's Finnish operations. The investigators are separate from the chain of management involved in the prevention and detection of corruption or bribery.

Should a whistleblowing report concern one of the investigators, said investigator will immediately recuse themselves from the investigation.

Etteplan has internal whistleblowing protocols with different tiers (1-4) depending how serious the offense is deemed, tier 4 often being HR related issues, and tier 1 being crisis issues that could affect business continuity (financial or reputational) or issues relating to allegations of wrongdoing by senior management. Tier 4 issues are often handled by HR or delegated to management, tier 1 issues are handled by the audit committee of the Board of

Directors. All reports are handled following these protocols.

Depending on the seriousness (tier) of the issue, the outcomes are reported to different bodies. The Management Group will be kept in the loop on the whistleblowing issues at all times.

Policies are communicated to those for whom they are relevant, such as Etteplan's Code of Conduct which is a mandatory part of Etteplan onboarding program. All new employees will familiarize themselves with the Company's ethical values and business principles through an eLearning course on the Company's Code of Conduct that also includes rules on bribery and corruption. The eLearning course is mandatory for all Etteplan employees, members of the administrative, management and supervisory bodies and will be retaken every second year.

Etteplan intranet Ette includes information on the Company's Code of Conduct and eLearning courses. Every Etteplan employee has access to the information on the intranet.

All employees must understand the principles of Etteplan Code of Conduct and apply them to their daily work and decision-making. Managers have a wider responsibility of setting an example with their own actions, ensuring that local guidance is in line with the Code of Conduct, taking proactive steps to reduce any potential risks within their teams,

regularly discussing Code of conduct topics, and ensuring that employees feel comfortable sharing any concerns they might have.

Anti-corruption and anti-bribery training are included in the Code of Conduct eLearning course. The Code of Conduct eLearning is included in the onboarding program for all new employees. The eLearning course will be retaken every second year by every Etteplan employee.

The anti-corruption and bribery section of the training has explanations on topics under the

Code of Conduct including, We follow laws and regulations, We support fair competition, We protect our assets, We reveal conflicts of interest, We respond to fraud immediately, We safeguard data, We do not misuse insider information, We do not tolerate bribery or corruption, and We do not give or accept excessive gifts. All topics are outlined in Etteplan’s Code of Conduct.

The eLearning course is mandatory for every Etteplan employee, the training therefore covers 100% of all employees including members of administrative, supervisory and management.

Table G1-3. Anti-corruption and bribery training

	All employees; including Managers, Administrative, management, and supervisory bodies
Training Coverage	All employees get training
Total	All employees
Total receiving training	100%
Delivery method and duration	eLearning found on internal platform Ette, completing the modules takes about 45 minutes.
Classroom training	Only online
Computer-based training	100%
Voluntary computer-based training	Not voluntary, Code of Conduct eLearning
Frequency	Every 2 years
How often training is required	Every 2 years
Topics covered	Code of Conduct topics, Definition of corruption, Policy, and Procedures on suspicion/detection

Metrics and targets

G1-4 – CONFIRMED INCIDENTS OF CORRUPTION OR BRIBERY

Etteplan has a Code of Conduct which it uses to manage material impacts, risks, and opportunities. The Code of Conduct states that all Etteplan’s employees and partners are expected to comply with these principles and practices. In addition, there is a Supplier Code of Conduct, and Supplier Policy which are publicly available to all suppliers. Etteplan is in the process of developing a Supplier Qualification Program that would provide measurable results on suppliers committed.

Etteplan has no convictions for violation of anti-corruption and anti- bribery laws. Etteplan has no convictions for violation of anti-corruption and anti-bribery laws in its value chain.

G1-6 – PAYMENT PRACTICES

At Etteplan, the average number of days to pay invoice from date when contractual or statutory term of payment starts to be calculated is one (1) day.

Etteplan does not have an established category system for standard payment terms in number of days by main category of suppliers.

However, the payment terms of subcontractors is 14 days net for 31.5 percent of the subcontractors and 30 days net for 45.5 percent of the subcontractors. 54.1 percent of subcontractor invoices were paid on due date, and 74.0 percent at the latest within 4 days of the due date. In the Netherlands and Germany the payment term for subcontractors is in general “Directly”, which means that the invoices are paid mainly within 4 days of the due date after the review and approval process. Of all payment terms 29.5 percent are 14 days net and 48.2 percent 30 days net.

- The percentage of payments aligned with standard payment terms: 60.5 percent invoices paid on due date and 87.2 percent within 5 days of the due date.
- There are zero (0) outstanding legal proceedings for late payments ongoing.

The average number of days to pay subcontractor invoices has been calculated from all subcontractor invoices paid from January to October 2024.

ESRS Content index

The Disclosure Requirements included in this sustainability statement are listed below.

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Consolidated Financial Statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR 1,000	Note	2024	2023
Revenue	4	361,020	359,951
Other operating income	5	749	1,742
Materials and services	7	-50,582	-43,320
Employee benefits expenses	8	-233,129	-233,736
Other operating expenses	9	-41,285	-40,259
Depreciation and amortization	18, 19, 20	-18,363	-18,839
Operating profit (EBIT)		18,410	25,540
Financial income	11	1,069	803
Financial expenses	12	-5,885	-5,537
Profit before taxes		13,594	20,805
Income taxes	14	-3,198	-4,158
Profit for the financial year		10,396	16,647
Other comprehensive income, that may be reclassified to profit or loss			
Currency translation differences		-1,318	787
Other comprehensive income, that will not be reclassified to profit or loss			
Change in fair value of equity investments at fair value through other comprehensive income	24	-3	-30
Remeasurement of defined benefit plan	8	60	-157
Other comprehensive income for the year, net of tax	14	-1,261	599
Total comprehensive income for the year		9,135	17,246

EUR 1,000	Note	2024	2023
Profit for the financial year attributable to			
Equity holders of the parent company		10,396	16,647
Total comprehensive income attributable to			
Equity holders of the parent company		9,135	17,246
Earnings per share calculated from the profit attributable to equity holders of the parent company			
Basic earnings per share, EUR	15	0.41	0.66
Diluted earnings per share, EUR	15	0.41	0.66

The notes are an integral part of the Financial Statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR 1,000	Note	2024	2023
Assets			
Non-current assets			
Goodwill	17	117,436	109,737
Intangible assets	18	29,093	29,565
Tangible assets	19	4,482	3,402
Right-of-use of assets	20	19,110	21,322
Investments at fair value through other comprehensive income	24	9,534	2,376
Other non-current receivables	24	916	973
Deferred tax assets	14	263	250
Total non-current assets		180,834	167,624
Current assets			
Inventory	21	658	806
Work in progress	4	28,406	30,662
Trade and other receivables	22	61,180	61,148
Current tax assets		1,432	933
Cash and cash equivalents		25,241	23,442
Total current assets		116,917	116,991
Total assets		297,751	284,615

EUR 1,000	Note	2024	2023
Equity and liabilities			
Equity			
Share capital	25	5,000	5,000
Share premium account	25	6,701	6,701
Unrestricted equity fund	25	26,073	23,966
Own shares	25	-1,719	-1,719
Cumulative translation adjustment	25	-8,233	-6,915
Other reserves	25	70	73
Retained earnings	25	89,910	86,984
Total equity		117,803	114,091
Non-current liabilities			
Deferred tax liabilities	14	9,583	9,550
Loans from financial institutions	26	49,473	40,167
Lease liabilities	26	8,362	8,560
Defined benefit pension liability	8	4,905	5,069
Other non-current liabilities	27	176	526
Total non-current liabilities		72,499	63,873
Current liabilities			
Loans from financial institutions	26	27,187	25,012
Lease liabilities	26	10,849	12,843
Advances received	4	6,660	5,818
Trade and other payables	28	60,843	60,849
Current income tax liabilities		1,910	2,128
Current liabilities, total		107,449	106,651
Total liabilities		179,948	170,524
Total equity and liabilities		297,751	284,615

The notes are an integral part of the Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR 1,000	Note	2024	2023
Operating cash flow			
Cash receipts from customers		367,806	366,970
Operating expenses paid		-326,651	-322,517
Operating cash flow before financial items and taxes		41,155	44,454
Interests and other payments for financial expenses	12	-5,656	-4,540
Interest received	11	745	496
Income taxes paid	14	-5,283	-4,839
Operating cash flow		30,961	35,571
Investing cash flow			
Purchase of tangible and intangible assets	18, 19, 20	-2,437	-2,067
Acquisition of subsidiaries, net of cash acquired	16	-12,550	-5,496
Purchase of investments	24	-7,183	0
Proceeds from sale of tangible and intangible assets		234	675
Investing cash flow		-21,935	-6,888
Cash flow after investments		9,026	28,683

EUR 1,000	Note	2024	2023
Financing cash flow			
Purchase of own shares		0	-486
Proceeds from loans	26	37,956	28,583
Repayments of loans	26	-26,978	-32,332
Payment of lease liabilities	20	-10,644	-11,576
Dividend paid	25	-7,530	-9,015
Financing cash flow		-7,196	-24,826
Variation in cash increase (+) / decrease (-)		1,830	3,857
Assets at the beginning of the financial period		23,442	19,564
Exchange gains or losses on cash and cash equivalents		-32	21
Assets at the end of the financial period		25,241	23,442

The notes are an integral part of the Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR 1,000	Share Capital	Share Premium	Unrestricted Equity Fund	Other Reserves	Own Shares	Translation Differences	Retained Earnings	Total
Equity Jan 1, 2024	5,000	6,701	23,966	73	-1,719	-6,915	86,984	114,091
Profit for the review period	0	0	0	0	0	0	10,396	10,396
Change in fair value of equity investments at fair value through other comprehensive income	0	0	0	-3	0	0	0	-3
Cumulative translation adjustment	0	0	0	0	0	-1,318	0	-1,318
Remeasurement of defined benefit plan	0	0	0	0	0	0	60	60
Total comprehensive income for the review period	0	0	0	-3	0	-1,318	10,456	9,135
Transactions with owners								
Dividends	0	0	0	0	0	0	-7,530	-7,530
Acquisition of a subsidiary paid in shares	0	0	2,107	0	0	0	0	2,107
Equity Dec 31, 2024	5,000	6,701	26,073	70	-1,719	-8,233	89,910	117,803

EUR 1,000	Share Capital	Share Premium	Unrestricted Equity Fund	Other Reserves	Own Shares	Translation Differences	Retained Earnings	Total
Equity Jan 1, 2023	5,000	6,701	23,966	103	-1,059	-7,702	79,302	106,311
Profit for the review period	0	0	0	0	0	0	16,647	16,647
Change in fair value of equity investments at fair value through other comprehensive income	0	0	0	-30	0	0	0	-30
Cumulative translation adjustment	0	0	0	0	0	787	0	787
Remeasurement of defined benefit plan	0	0	0	0	0	0	-157	-157
Total comprehensive income for the review period	0	0	0	-30	0	787	16,489	17,246
Transactions with owners								
Dividends	0	0	0	0	0	0	-9,015	-9,015
Purchase of own shares	0	0	0	0	-486	0	0	-486
Share-based incentive plan	0	0	0	0	-173	0	209	35
Equity Dec 31, 2023	5,000	6,701	23,966	73	-1,719	-6,915	86,984	114,091

The notes are an integral part of the Financial Statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Parent Company of Etteplan Group is Etteplan Oyj. Etteplan Oyj is a Finnish public limited company Plc established under Finnish law. The Company is domiciled in Espoo, Finland and its registered office is located in Tekniikantie 4, 02150 Espoo, Finland. The company's principal place of business is also located in Tekniikantie 4, 02150 Espoo. Etteplan's shares are listed on Nasdaq Helsinki Oy's Nordic Mid Cap market capitalization group in the Industrials sector under the ETTE ticker.

Etteplan provides solutions for software and embedded solutions, industrial equipment and plant engineering and technical communication solutions to the world's leading companies in the manufacturing industry. Our services are geared to improve the competitiveness of our customers' products, services and engineering processes throughout the product life cycle. The results of Etteplan's innovative engineering can be seen in numerous industrial solutions and everyday products.

A copy of the Consolidated Financial Statements can be obtained from the Company's website www.etteplan.com or from the office of the Group's Parent Company at the address Askonkatu 9 E, 15100 Lahti, Finland.

The Etteplan Oyj Board of Directors approved these Financial Statements for publication at its meeting on March 13, 2025.

According to the Finnish Limited Liability Companies Act, the shareholders have the opportunity to approve or reject the Financial Statements at the Annual General Meeting held after the publication. Furthermore, the Annual General Meeting can decide on the modification of the Financial Statements.

2. A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these Consolidated Financial Statements are set out in this section. These policies have been consistently applied to all the years presented, unless stated otherwise.

2.1 Basis for presentation

Basis for preparation

The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS). They have been prepared in accordance with IAS and IFRS standards and SIC and IFRIC interpretations approved for implementation in EU directive N:o 1606/2002 at December 31, 2024. The notes to the Financial Statements are also prepared in accordance with the Finnish accounting and company regulation, which complements the IFRS requirements. The Consolidated Financial Statements have been prepared under the historical cost convention, except for certain financial assets and financial liabilities, which are recognized at fair value.

The preparation of the Financial Statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 2.2. Figures in the Financial Statements are presented in thousands of euros and are therefore rounded.

Consolidation

Subsidiaries are all such entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the

former owners of the acquiree and the equity interests issued by the Group. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group applies the measurement period of the acquisition accounting allowed by IFRS 3, during which the acquisition is treated as preliminary.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The CEO of the group acts as the chief operational decision-maker. The chief operational decision-maker evaluates the group's financial performance and makes decisions regarding the group's financial position. The financial information, which the chief operating decision-maker uses as a basis for decision making, does not differ substantially from the information presented in the Consolidated Statement of Comprehensive Income and Statement of Financial Position.

Foreign currency translation

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 functional currency of subsidiaries is the currency of the economic environment in which the subsidiary operates. The Consolidated Financial Statements are presented in euro, which is the Group's presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions, or valuation, where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement, except when deferred in other comprehensive income as a net investment hedge. Foreign exchange gains and losses that relate to loans and cash and cash equivalents are presented in the income statement within "Financial income" or "Financial expenses." All other foreign exchange gains and losses are presented in the income statement within "Other operating expenses."

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet

- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions) and
- all resulting exchange differences are recognized in other comprehensive income. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and are translated at the closing rate. Exchange differences arising are recognized in equity.

Changes in accounting policy and disclosures

New and amended standards adopted by the Group

The new standards, amendments and interpretations effective for the financial year beginning January 1, 2024, did not have a significant effect on the Consolidated Financial Statements of the Group.

Forthcoming requirements

The new standards, amendments and interpretations issued, but effective later than for the financial year beginning January 1, 2025, are not expected to have a significant effect on the Consolidated Financial Statements of the Group.

2.2 Critical accounting estimates and management judgment based decisions

When preparing the Consolidated Financial Statements, estimates and assessments must be made concerning the future. These may affect assets and liabilities at the time of balance sheet preparation, as well as income and expenses in the reporting period. Actual figures may differ from those used in the financial statements. The preparation of the Consolidated Financial Statements requires the management in certain respects to make judgements and assessments when choosing and applying the principles for the preparing the financial statements. This particularly concerns the cases when effective IFRSs allow alternative valuation, recording and presenting manners.

Judgments and estimates made in the preparation of the financial statements are based on the management's best judgment on the closing date. They are based on previous experience and future expectations considered to be most likely on the closing date. These include, in particular, factors related to the Group's financial operating environment affecting sales and the cost level. The Group monitors the

realization of these estimates and assumptions. The effects of any changes in estimates and assumptions are recognized in the period in which they have been detected.

The assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Critical accounting estimates

Fair value measurement in connection with acquisitions

In business combinations, tangible assets have been compared with the market prices of equivalent assets, and decline in the value of acquired assets due to various factors has been estimated. The fair value measurement of intangible assets is based on estimates of asset-related cash flows. The management believes that the estimates and assumptions are sufficiently precise for use as the basis for fair value measurement. Any indications of impairment of tangible and intangible assets are reviewed annually.

Impairment testing

The Group tests goodwill and intangible assets with unlimited useful lives for impairment annually. Indications of impairment are evaluated in the manner described in note 2.9. Recoverable amounts for cash-generating units are based on value-in-use calculations. Estimates are required in making these calculations. Values recorded in the balance sheet at the end of the financial year were EUR 117,436 thousand (2023: EUR 109,737 thousand). Additional information on the sensitivity of the recoverable amounts to changes in assumptions used is disclosed in Note 17 Goodwill and Impairment testing. Due to the nature of the Group's operations, direct emissions and thus negative climate impacts are minimal. The Management assesses that climate change and related risks do not have an impact on the value of the Group's assets.

Contingent considerations

The amount of a contingent consideration in a business combination is often dependent on the future economic development of the business acquired. The actual outcome may deviate from the assumptions made at initial recognition, which can lead to re-valuation of the previously recognized contingent consideration.

Revenue recognition

Revenue recognized over time is based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. The percentage of completion is measured as the costs of the project realized as a proportion to the total expected costs of the project.

Management judgement based decisions

Revenue recognition

Estimates of revenues, costs or extent of progress toward completion recognized over time are revised if circumstances change, and at each reporting date. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that trigger the revision become known by management.

2.3 Revenue recognition

Etteplan's revenue streams consist mainly of the following three service areas:

Engineering Solutions refer to the innovation, engineering and calculations of the technical attributes of machinery or equipment for the purpose of product development and manufacturing. Assignments are typically product development projects for a new product, plant engineering projects or Engineering-to-Order projects, involving the customization of the product in accordance with end customer requirements and the market area's legislation.

Software and Embedded Solutions refer to product development services and technology solutions that allow the controlling of machines and equipment and enable their digital connectivity as part of the Internet of Things.

Technical Communication Solutions refer to the documentation of a product's technical attributes, such as manuals and service instructions for the users of a product, as well as related content management and distribution in print or digital form.

Revenue includes revenue from contracts with customers adjusted for indirect taxes and discounts. Revenue is recognized following a five-step model, on the basis of which the timing and amount of revenue to be recognized is determined. The model involves identifying the contract with the customer and its performance

obligations, determining transaction prices, allocating transaction prices to performance obligations and recognizing revenue. Revenue is recognized when the customer obtains control of the promised service or product; either over time or at a point in time. The Group recognizes revenue in a way that represents the rendering of the promised services or goods to the customer, and to such an amount that represents the compensation the Group expects to be entitled to in exchange for the goods and services. Contracts with customers do not include a significant financial component.

Etteplan divides its services into the following categories according to the applied method of revenue recognition:

- Design and consultancy projects, where either a fixed price or a target price limiting the amount of revenue that can be recognized for the project is set in the agreement with the customer. In this type of projects, revenue is recognized over time based on the percentage of completion method, because the Group's performance creates an asset that has no alternative use for the Group and the Group has an enforceable right to payment for performance completed to date. The percentage of completion is measured as the costs of the project realized as a proportion to the total expected costs of the project, because it is seen as the most accurate way of measuring the transfer of control to the customer. If the agreement includes separately identifiable performance obligations, revenue for each performance obligation is recognized separately. Dealing with separate performance obligations does not involve significant considerations. In the case of contracts whose outcome cannot be assessed reliably, project expenditure is expensed and revenue is recognized to an amount not exceeding the expenditure. The total loss on a contract that will probably result in a loss is expensed immediately. Incentives, additional work and changes related to the project are recognized in the revenue and costs of the project to the extent that can be estimated reliably, or that is agreed upon with the customer. The revenue for additional work and changes are recognized separately when they comprise a separate performance obligation and are priced according to stand-alone transaction prices.
- Design and consultancy projects, where all costs incurred can be invoiced to the customer without other limitations than the agreed invoicing price. In this type of projects revenue is recognized over time as the service is being performed. The performance obligation in the agreement with the customer is most typically one working hour and it is considered to be fulfilled over time, because the customer simultaneously receives and consumes the benefits provided by the service.
- Arrangements, where the customer buys a license to software created by Etteplan and maintenance related to the license. Revenue for the license itself is recognized when the customer obtains access to the license. Revenue for maintenance related to the license is recognized over time as the service is rendered.

Transaction prices are based on customer agreements, where separate prices are set for separate performance obligations. Generally, the pricing of separate performance obligations equals their standalone transaction prices. Changes to customer agreements as well as additional work agreed on, are mainly recognized as separate customer agreements. The Group has enforceable right to payment for performance completed to date, in case the project is terminated, in essentially all of its projects.

Costs incurred from work performed and transferred to customer, but not yet invoiced, are activated as contract assets and included in the balance sheet line item "Work in progress." Contract assets are transferred to Trade payables upon invoicing, which is generally done on a monthly basis. Invoices are most typically payable within 30 days. Payments received from customers in advance of work being transferred are recorded as contract liabilities in the balance sheet line item "Advance payments." These amounts are recognized as revenue as the work is being transferred to the customer.

In applying IFRS 15 the Group uses the practical expedient permitted by the standard and does not disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied as at the end of the reporting period or the estimated timing of satisfaction, because the unsatisfied performance obligations are either part of contracts that have an original expected duration of one year or less or the Group has the right to invoice a customer at an amount that corresponds directly with its performance to date.

2.4 Government grants

Government grants received as compensation for incurred expenses are recorded in the income statement under other operating income, while the expenses related to the grant are recorded as expenses under other operating expenses.

2.5 Non-recurring items

Non-recurring items are disclosed separately in the Financial Statements where it is necessary to do so to provide further understanding of the financial performance of the Group. They are material items of income and expense that are shown separately due to the significance of their nature or amount. Non-recurring items can include, among other things, costs and income related to business combinations as well as certain reorganization costs.

2.6 Employee benefits

Pension obligations

Group companies operate various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. The Group has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into an external entity managing pension insurances. The Group has no legal or constructive obligations to pay further contributions. The contributions are recognized as employee benefit expenses when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available. A defined benefit plan is a pension plan that is not a defined contribution plan. The pension liability for a defined benefit pension plan is determined annually by an independent actuary. Defined benefit plans define an amount of pension benefit that an employee will receive on retirement, dependent on one or more factors such as age, years of service and compensation. Under a defined benefit pension plan, the Group's obligation includes the actuarial and investment risks related to the plan in addition to the payments made under the plan. The pension expenses related to defined benefits are calculated using the Projected Unit Credit Method. Pension expenses are recognized as expenses by distributing them over the estimated period of service of the personnel concerned. The amount of the pension obligation is the present value of the estimated future pensions payable (Note 8).

In Sweden and the Netherlands, the Group has multi-employer defined benefit plans, of which there is not sufficient information available to use benefit accounting. These plans are accounted as defined contribution plans.

Bonus plans

The Group recognizes a liability and an expense for bonuses based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognizes the expense and liability where contractually obliged or where there is a past practice that has created a constructive obligation.

Share-based incentive plans

Share-based incentive plans are treated as arrangements that are settled partly as shares and partly as cash. The part of a remuneration earned that the participants receive as Etteplan Oyj shares is treated as an arrangement that is fully settled as shares and recorded in shareholders' equity, the part of a remuneration earned that is paid in cash to pay off taxes and other levies is recorded in liabilities. The fair value of the employee services received in exchange for the grant of the shares is recognized as an expense. The total amount to be expensed is determined by reference to the fair value of the shares granted taking into account market performance conditions and non-vesting conditions. At the end of each reporting period, the Group revises its estimates of the number of shares that are expected to vest based on the non-market vesting conditions and service conditions. The Group recognizes the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment in equity.

2.7 Current and deferred income tax

The taxes in the consolidated income statement include the current tax for the Group companies, corrections to taxes from previous financial periods, and the change in deferred taxes. Current tax is calculated on taxable income according to the tax rate in force in each country concerned. In the case of items entered directly in shareholders' equity, the tax effect is recognized in equity.

Deferred income tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. The most significant temporary differences arise from the depreciation and amortization of assets and fair value adjustments (customer agreements and non-competition agreements) and the depreciation in excess of plan in Swedish subsidiaries. Deferred taxes are determined by using the tax base in force on the balance sheet date or the enacted tax base at the time of tax base transition.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. It is evaluated at the end of each financial period, whether the conditions for recognizing a deferred tax asset are met.

2.8 Interest and dividend income

Interest income is recognized using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired receivables is recognized using the original effective interest rate. Dividend income is recognized when the shareholder gains the right to receive payment.

2.9 Goodwill and Impairment testing

Goodwill corresponds to that part of the acquisition cost which exceeds the Group's share of the fair value, on the date of purchase, for the net asset value of the acquired subsidiary. Goodwill is measured at historical cost less impairment. Goodwill is not amortized, but is tested for impairment annually and whenever there is objective evidence of goodwill impairment. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units that are expected to benefit from the business combination in which the goodwill arose, taking into account the current organization structure and level of reporting.

The Group assesses at the end of each reporting period, whether there are indications of impairment of non-financial assets. Assets that have an indefinite useful life – for example, goodwill or intangible assets not ready to use – are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization, as well as assets with unlimited useful life, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized through profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to dispose and value-in-use. Value-in-use is defined as the discounted estimated future net cash flows generated by the asset or cash-generating unit. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

The impairment loss recognized for non-financial assets other than goodwill is reversed, in case there has been a change in the estimates of recoverable amount. The impairment loss is only reversed to the amount of the book value of the asset before impairment. An impairment loss for goodwill is not reversed under any circumstances.

The essential assumptions for impairment tests are presented in note 17.

2.10 Intangible assets

Intangible assets consist of intangible rights, development expenses, and intangible assets acquired in business combinations. Intangible assets acquired in business combinations are recognized at fair value at the acquisition date. Other intangible assets are recorded in the balance sheet at historical cost considering accumulated amortizations. Assets with limited useful lives are amortized on a straight-line basis over their useful lives. The amortization periods of intangible assets are:

Intangible rights	3 to 7 years
Development expenses	3 to 5 years
Customer base	10 years
Non-competition agreements	3 years

The residual value, useful life and amortization method of each asset is examined at the end of each financial year and adjusted, if necessary, to reflect the changes in expectations of the economic benefits to be gained from the asset.

Intangible rights mainly include software licenses owned by the Group.

Internally created intangible assets include capitalized development expenses related to software products created by the Group. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognized as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs, which are capitalized as part of the software product include the software development employee costs and such overhead costs that are directly attributable to the development. Other development expenditures that do not meet these criteria are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period. Computer software development costs recognized as assets are amortized over their useful lives. Significant, unfinished intangible assets are tested for impairment annually. Research costs are recognized as an expense as incurred.

2.11 Tangible assets

Tangible assets are stated at historical cost less accumulated depreciation and impairment loss. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of a replaced part is derecognized. All other repairs and maintenance are charged to the income statement during the financial period in which they occur.

Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	50 years
Computers	3 years
Vehicles	4 to 5 years
Office furniture	5 to 10 years
Renovation of premises	5 to 7 years
Land areas are not depreciated.	

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.9). Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in other operating income or expenses in the income statement.

2.12 Lease Agreements

The group's lease agreements mainly consist of office spaces, vehicles, computers, equipment, and software. Rental contracts are typically made for fixed periods of 3 to 10 years but may have extension options as described below.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group.

Lease liabilities (note 26) include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease liability is subsequently measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. The interest expenses related to leases are presented in note 12.

Right-of-use assets (note 20) are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

After the commencement date the right-of-use asset is measured at amortized cost less impairment. It is adjusted with certain remeasurements of the lease liability. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The right-of-use asset is tested for impairment, when necessary, and the possible impairment is recognized through profit or loss.

The Group uses the practical expedient included in IFRS 16 standard and recognizes payments associated with leases of low-value assets on a straight-line basis as an expense in profit or loss. Low-value assets comprise IT equipment and items of office furniture (note 9).

Extension options are included in several of the Group's office premises rental agreements. These terms are used to maximize operational flexibility in terms of managing contracts. The Group's management uses judgment when determining the extent to which the extension options are used. The extension options are used in such a way that the lease term for lease agreements is at least 18 months also for lease agreements with non-cancelable term of under 18 months, unless the lease agreement in question is canceled or a decision for a specific timing of cancelation has been made. For lease agreements in which the original non-cancelable term is 18 months or more, extension options are used up to 18 months, when the remaining non-cancelable term is under 18 months. The management believes this gives the most accurate view of the Group's total lease liability. If the extension options were used up to 12 months instead of 18 months, the right-of-use assets and lease liability related to premises would decrease by approximately EUR 1.7 million. If the extension options were used up to 24 months the corresponding effect in balance sheet items would be an increase of approximately EUR 1.8 million.

2.13 Inventory

Inventory is stated at the lower of cost and net realizable value. Cost is determined using the FIFO method. Cost comprises direct materials, direct labor and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.14 Financial instruments

Financial instruments and their fair values by measurement category are detailed in note 24.

Recognition

Regular purchases and sales of financial instruments are recognized on the trade-date – the date on which the Group commits to purchase or sell the instrument. At initial recognition, the Group measures a financial instrument at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial instrument. Transaction costs of financial instruments carried at FVPL are expensed in profit or loss.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the liability has ceased, that is, the obligation specified in the agreement is fulfilled or revoked or its validity has ended.

Classification

The Group classifies its financial instruments in the following subsequent measurement categories:

Categories of financial assets:

- measured at amortized cost
- measured at fair value through Other Comprehensive Income (FVOCI), and
- measured at fair value through profit or loss (FVPL).

The classification of financial assets depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows. The classification changes only if the business model changes.

Categories of financial liabilities:

- measured at amortized cost, and
- measured at fair value through profit or loss (FVPL).

Subsequent measurement

Gains and losses for assets and liabilities measured at fair value will either be recorded in profit or loss or OCI.

The Group measures all its equity investments at FVOCI, because the Group's management has made an irrevocable election to present fair value gains and losses on equity investments in OCI. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of these investments. Only the dividends from these investments are recognized in profit or loss when the Group's right to receive payments is established.

Trade receivables are recognized initially at fair value and are subsequently measured at amortized cost, less provision for impairment. Trade receivables are classified as current assets, if collection is expected in one year or less. Otherwise, they are classified as non-current assets. Expected credit losses are estimated as described in note 23.1.4. Trade receivables transferred to a financial institution in factoring arrangements are not included in the Consolidated Statement of Financial Position, because the Group has transferred substantially all risks and rewards of ownership of the transferred trade receivables.

Cash and cash equivalents include cash in hand and deposits held at call with banks. Items included under cash and cash equivalents have maturities of three months or less from the date of acquisition. Cash and cash equivalents are derecognized when the Group's contractual right to receive cash flows has expired or essentially all of the risks and rewards incident to ownership have been transferred from the Group.

Trade payables and other payables are obligations to pay for goods or services that have been acquired from suppliers in the ordinary course of business. They are classified as current liabilities unless payment is not due within one year or less after the reporting period.

Loans are recognized initially at fair value, net of transaction costs incurred. Loans are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method.

Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. See note 23.1.4 for further details.

3. SEGMENT REPORTING

The group's business is divided into three service areas: Engineering Solutions, Software and Embedded Solutions, and Technical Communication Solutions. Each service area constitutes its own reportable segment. The revenues of the segments mainly consist of providing services.

Engineering Solutions refer to the innovation, engineering and calculations of the technical attributes of machinery or equipment for the purpose of product development and manufacturing. Assignments are typically product development projects for a new product, plant engineering projects or Engineering-to-Order projects, involving the customization of the product in accordance with end customer requirements and the market area's legislation.

Software and Embedded Solutions refer to product development services and technology solutions that allow the controlling of machines and equipment and enable their digital connectivity as part of the Internet of Things.

Technical Communication Solutions refer to the documentation of a product's technical attributes, such as manuals and service instructions for the users of a product, as well as related content management and distribution in print or digital form.

2024		Software and Embedded Solutions	Technical Communication Solutions	Reportable segments total	Eliminations and other	Total
EUR 1,000	Engineering Solutions					
External revenue	192,796	97,356	70,492	360,645	375	361,020
Operating profit (EBITA)	13,421	7,866	4,296	25,582	-1,209	24,373
Personnel at end of the period	2,114	689	841	3,644	159	3,803

2023		Software and Embedded Solutions	Technical Communication Solutions	Reportable segments total	Eliminations and other	Total
1 000 EUR	Engineering Solutions					
External revenue	202,441	86,886	69,965	359,292	659	359,951
Operating profit (EBITA)	19,940	6,924	4,946	31,810	-926	30,883
Personnel at end of the period	2,190	704	842	3,736	166	3,902

No customer represents 10% or more of the external revenue.

Non-current assets by location of assets

Segments' non-current assets of are presented by the location of the assets, as the Group's chief operating decision maker monitors these items at the country level. Financial instruments and deferred tax assets are excluded from segment's non-current assets.

EUR 1,000	2024	2023
Finland	55,598	58,814
Scandinavia	57,009	45,554
China	2,372	2,372
Central Europe	56,058	58,258
Total	171,037	164,998

4. REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregation of revenue

The table below presents the disaggregation of revenue by geographical area and timing of revenue recognition. The external revenue of each geographical area is presented according to the location of the seller. The Group's operations in China sell their services both locally and through other Group companies, thus this revenue is partly included in the revenue from other areas.

EUR 1,000	2024	2023
Primary geographical location		
Finland	170,666	182,320
Scandinavia	99,858	87,306
Central Europe	79,502	80,222
China	10,994	10,104
Total	361,020	359,951
Timing of revenue recognition		
Transferred at a point in time	4,248	4,604
Transferred over time	356,772	355,347
Total	361,020	359,951

Assets and liabilities related to contracts with customers

The Group recognized the following contract assets and liabilities related to contracts with customers. For details on impairment loss allowance, please see note 23.1.4. Trade receivables are specified in note 22.

EUR 1,000	2024	2023
Contract assets (Work in progress)		
Work in progress Jan 1	30,661	30,181
Business combinations	194	2,255
Additions	360,402	338,158
Invoicing	-363,190	-344,044
Netting work in progress and advances received	388	4,139
Other changes	-49	-28
Contract assets Dec 31	28,406	30,661
Contract liabilities (Advances received)		
Advances received Jan 1	5,818	2,856
Business combinations	0	1,306
Additions	76,068	54,837
Revenue recognized that was included in the contract liability at the beginning of the period	-75,663	-57,411
Netting work in progress and advances received	388	4,139
Other changes	49	91
Contract liabilities Dec 31	6,660	5,818

5. OTHER OPERATING INCOME

EUR 1,000	2024	2023
Premeasurement of contingent considerations in business combinations	67	0
Rental income	93	124
Gain on disposal of tangible assets	55	150
Other operating income	534	1,467
Total	749	1,742

6. NON-RECURRING ITEMS

Items that are material either because of their size or their nature, and that are non-recurring are considered as non-recurring items. These items are presented within the line items to which they best relate, and are not deducted from other items in the income statement. The amount of non-recurring items and the line items in which they are included are specified in the table below as additional information. Non-recurring items relate to acquisitions and restructuring.

EUR 1,000	2024	2023
Revenue	-533	0
Employee benefits expenses and other operating expenses	-2,461	-1,717
Operating profit (EBIT)	-2,994	-1,717
Profit for the financial year	-2,994	-1,717

7. MATERIALS AND SERVICES

EUR 1,000	2024	2023
Materials	11,138	11,924
Services from others	39,445	31,396
Total	50,582	43,320

8. NUMBER OF PERSONNEL AND EMPLOYEE BENEFITS EXPENSES

Personnel	2024	2023
At year-end	3,803	3,902
Average	3,859	3,949
By category		
Design personnel	3,588	3,690
Administrative personnel	215	212
Total	3,803	3,902

Specification of employee benefits expenses

EUR 1,000	2024	2023
Wages and salaries	189,076	189,820
Pension costs - defined contribution plans	21,843	20,949
Pension costs - defined benefit plans	322	244
Other indirect employee benefits expenses	21,888	22,682
Total	233,129	233,696

Compensation of the Board of Directors and top management are disclosed in note 30. Related party transactions.

Defined Employee Benefits

In Sweden and the Netherlands, a part of the pension arrangements are multi-employer defined benefit plans, which are secured through an insurance. The plans pool the assets contributed by various entities that are not under common control. The assets provide benefits to employees of more than one entity. Sufficient information for the calculation of obligations and asset by employer is not available from the insurers.

Therefore, these plans are treated in accounting as defined contribution plans. Etteplan's share of the total premiums paid to the arrangement and the share of employees participating in the arrangements is minor. Total amount paid to the insurer in 2024 in Sweden was EUR 1,404 thousand (2023: EUR 1,083 thousand) and in the Netherlands EUR 1,233 thousand (2023: EUR 961 thousand). The payment level is not expected to change materially in the next financial period compared to the period under review.

Cognitas GmbH, acquired in 2022, has a defined benefit pension plan. Cognitas GmbH merged to Etteplan Germany GmbH and defined benefit plan also transferred to Etteplan Germany GmbH. The expenses related to the plan are recognized as described in note 2.6. The defined benefit pension plan is unfunded. The average duration of arrangement is approximately 15 years. The payments were in financial year 2024 EUR 0.3 million (2023: 0.3 million). The payments to be made under the plan in the financial year 2025 are expected to be approximately EUR 0.3 million.

Net defined benefit liability

EUR 1,000	2024	2023
Present value of funded obligations	4,905	5,069
Fair value of plan assets	0	0
Deficit/surplus	0	0
Net liability (+) / net asset (-)	4,905	5,069

Change in defined benefit obligation and plan assets

EUR 1,000	Present value of funded obligation
Jan 1, 2024	5,069
Current service cost	14
Interest cost or income	162
Actuarial gains (-) and losses (+) arising from changes in financial assumptions	-47
Experience profits (-) or losses (+)	-39
Contributions from plan participants	0
Benefits paid	-254
Dec 31, 2024	4,905

EUR 1,000	Present value of funded obligation
Jan 1, 2023	4,897
Current service cost	14
Interest cost or income	176
Actuarial gains (-) and losses (+) arising from changes in financial assumptions	214
Experience profits (-) or losses (+)	12
Contributions from plan participants	0
Benefits paid	-244
Dec 31, 2023	5,069

Significant actuarial assumptions Dec 31

	2024	2023
Discount rate, %	3.4	3.3
Salary increases, %	2.0	2.0
Pension increases, %	2.0	2.0

The table below presents a sensitivity analysis of the most significant actuarial assumptions. The effect of change in each assumption is calculated expecting the other assumptions to remain unchanged. In reality, the changes in assumptions may correlate with each other.

Sensitivity of the defined benefit obligation to changes in the most significant assumptions

Change in assumption	2024	Effect on obligation 2023
Decrease of discount rate by 0.5 percentage points	increase of 5.53 per cent	increase of 5.74 per cent
Increase of discount rate by 0.5 percentage points	decrease of 5.07 per cent	decrease of 5.23 per cent
Increase in salaries by 0.5 percentage points	n.a	n.a
Increase in benefits by 0.5 percentage points	increase of 4.19 per cent	increase of 4.28 per cent

Share-based payments

Performance Share Plan 2023-2025

The Board of Directors of Etteplan Oyj resolved on April 19, 2023 to establish a new share-based incentive plan for the Group key personnel. The aim of the plan is to combine the objectives of the shareholders and the key personnel in order to increase the value of the Company, to commit the key personnel to the Company, and to offer them a competitive reward plan based on holding the Company shares. The plan includes one earning period which includes the calendar years 2023-2025. Approximately 37 people belong to the plan, including the Management Group of Etteplan. The reward is settled in shares, in addition to which Etteplan pays the taxes and tax-related fees related to the reward. The cash proportion of the payable reward corresponds to the value of the Shares, in the maximum. The reward corresponds to a maximum total of 300,000 shares including also the cash portion. The earnings criteria are the Group's revenue increase and the earnings per share development. The potential reward will be paid after the earning period depending on the achievement of the earning criteria and service condition. The shares to be paid out as potential rewards will be transferred from the shares held by the company or shares acquired from the market.

Plan	Performance Share Plan 2020-2022	Performance Share Plan 2023-2025	Total
Instrument	Performance Share Plan 2020-2022	Performance Share Plan 2023-2025	Tot/Wa
Initial amount, pcs*	195,000	150,000	345,000
Initial allocation date	5.2.2020	16.5.2023	
Vesting date	28.4.2023	30.4.2026	
Maximum contractual life, yrs	2.4	3.0	2.7
Remaining contractual life, yrs	0.0	1.3	0.7
Number of persons at the end of reporting year	0	32	
Payment method	Equity and cash	Equity and cash	

*The amounts are presented in net amount of shares. In addition Etteplan pays the taxes and tax-relates fees related to the potential reward. The cash proportion of the payable reward corresponds to the value of the Shares, in the maximum.

Changes during the period 2024	Performance Share Plan 2023-2025
1.1.2024	
Outstanding in the period*	140,500
Changes during period	
Granted*	0
Forfeited*	6,700
Exercised*	0
31.12.2024	
Outstanding in the period*	133,800

Changes during the period 2023	Performance Share Plan 2020-2022	Performance Share Plan 2023-2025	Total
1.1.2023			
Outstanding in the period*	85,131	0	85,131
Changes during period			
Granted*	2,994	140,500	143,494
Forfeited*	0	0	
Exercised*	88,125	0	88,125
31.12.2023			
Outstanding in the period*	0	140,500	140,500

*The amounts are presented in net amount of shares. In addition Etteplan pays the taxes and tax-relates fees related to the potential reward. The cash proportion of the payable reward corresponds to the value of the Shares, in the maximum.

Fair value determination

The fair value of share based incentives have been determined at grant date and the fair value is expensed until the end of the performance period. The pricing of the share based incentives granted during the 2023 period was determined by the following inputs and had the following effect:

Valuation parameters for instruments granted during period 2023

Instrument	Performance Share Plan 2023-2025
Share price at grant, €	16.45
Share price at 31.12.2023, €	13.80
Maturity, years	3
Risk-free rate, %	2.57
Expected dividends, €	1.47
Fair value per share, €	15.05

Effect of Share-based Incentives on the result and financial position during period 1 000 EUR

	2024
Expenses for the financial year, share-based payments	0
Expenses for the financial year, share-based payments, equity-settled	0
Liabilities arising from share-based payments 31.12.2024	0
Estimated amount of cash to be paid for the tax withholding within the ongoing plans, 31.12.2024	0

Effect of Share-based Incentives on the result and financial position during period EUR 1,000

	2023
Expenses for the financial year, share-based payments	2,819
Expenses for the financial year, share-based payments, equity-settled	1,040
Liabilities arising from share-based payments 31.12.2023	0
Estimated amount of cash to be paid for the tax withholding within the ongoing plans, 31.12.2023	0

9. OTHER OPERATING EXPENSES

EUR 1,000	2024	2023
Software and telecommunication expenses	13,031	13,177
Travel expenses	6,470	6,519
Premises expenses	3,412	2,128
Leases, equipment and software, short-term & low value	2,018	1,575
Other personnel expenses	6,555	6,601
Change in credit loss allowance	132	232
Loss on disposals of fixed assets	127	20
Insurances	611	652
Costs related to acquisitions	223	104
Earn-out payments	0	197
Legal services	489	285
Other expenses	8,216	8,767
Total	41,285	40,259

10. AUDIT FEES

EUR 1,000	2024	2023
Auditing, KPMG-network	156	148
Auditor's statements based on laws and regulations, KPMG Oy Ab	17	5
Other services (tax services), KPMG Oy Ab	78	43
Other services (other services), KPMG-network	19	9
Auditing, other auditors	122	202
Other services (tax services), other auditors	93	0
Total	485	407

11. FINANCIAL INCOME

EUR 1,000	2024	2023
Dividend income from investments	10	11
Interest income from investments	36	46
Interest income from loans and other receivables	737	487
Foreign exchange gain	286	259
Total	1,069	803

12. FINANCIAL EXPENSES

EUR 1,000	2024	2023
Interest on borrowings	4,895	3,860
Interest expenses on defined benefit plans	162	176
Interest on business combinations	33	0
Leasing interest expenses	402	695
Other foreign exchange loss	267	777
Other financial expenses	126	205
Total	5,885	5,713

13. TRANSLATION DIFFERENCES RECOGNIZED IN INCOME STATEMENT

EUR 1,000	2024	2023
Foreign exchange gain included in financial income	286	259
Foreign exchange loss included in financial expenses	-267	-777
Total	18	-518

14. INCOME TAXES

Direct taxes

EUR 1,000	2024	2023
Income tax on operations	-4,206	-4,581
Taxes for prior years	-339	21
Deferred taxes	1,346	402
Total	-3,198	-4,158

Tax rate reconciliation

EUR 1,000	2024	2023
Profit before taxes	13,594	20,805
Tax calculated at parent's tax rate of 20%	-2,719	-4,161
Effect of different tax rates in foreign subsidiaries	345	-168
Non-deductible expenses	-70	-458
Income not subject to tax	370	926
Taxes for prior years	-339	21
Use of previously unrecognized tax on confirmed losses	0	122
Unrecognized tax on loss for the period	-785	-439
Income taxes	-3,198	-4,158

Tax charge (-) / credit (+) relating to components of other comprehensive income

2024	Before tax	Tax charge / credit	After tax
Change in fair value of equity investments at fair value through other comprehensive income	-2	-1	-3
Currency translation differences	-1,318	0	-1,318
Deferred tax on remeasurement of defined benefit	86	-26	60
Other comprehensive income for the year, net of tax	-1,234	-27	-1,261

2023	Before tax	Tax charge / credit	After tax
Change in fair value of equity investments at fair value through other comprehensive income	-38	8	-30
Currency translation differences	787	0	787
Deferred tax on remeasurement of defined benefit	-225	67	-157
Other comprehensive income for the year, net of tax	524	75	599

Deferred taxes

Deferred tax assets 2024

EUR 1,000	Jan 1	Translation difference	In income statement	In equity	Acquisitions	Dec 31
Confirmed loss	107	0	0	0	0	107
Leases						
Lease liabilities	4,488	0	-244	0	0	4,243
Right-of-use assets	-4,471	0	248	0	0	-4,223
Leases total	17	0	4	0	0	20
Share-based incentive plan	0	0	0	0	0	0
Other timing differences	126	1	8	0	0	135
Total	250	1	11	0	0	263

Deferred tax assets 2023

EUR 1,000	Jan 1	Translation difference	In income statement	In equity	Acquisitions	Dec 31
Confirmed loss	101	4	2	0	0	107
Leases						
Lease liabilities	4,316	0	171	0	0	4,488
Right-of-use assets	-4,304	0	-167	0	0	-4,471
Leases total	12	0	4	0	0	17
Share-based incentive plan	376	0	-376	0	0	0
Other timing differences	134	90	-97	0	0	126
Total	622	95	-467	0	0	250

Deferred tax liabilities 2024

EUR 1,000	Jan 1	Translation difference	In income statement	In equity	Acquisitions	Dec 31
Discretionary provisions	1,926	-61	103	0	35	2,003
Allocation of fair value on acquisitions	6,438	-18	-1,360	0	1,380	6,441
Other timing differences	1,186	0	-74	27	0	1,139
Total	9,550	-78	-1,331	27	1,415	9,583

Deferred tax liabilities 2023

EUR 1,000	Jan 1	Translation difference	In income statement	In equity	Acquisitions	Dec 31
Discretionary provisions	1,656	13	257	0	0	1,926
Allocation of fair value on acquisitions	6,935	37	-1,219	0	686	6,438
Other timing differences	1,167	0	94	-75	0	1,186
Total	9,758	50	-869	-75	686	9,550

At the end of the financial year the Group had gross losses carried forward of EUR 7,306 thousand (2023: EUR 3,697 thousand) of which a deferred tax asset has not been recognized. These losses are usable to offset future taxable gains a minimum of five years.

15. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the financial year attributable to equity holders of the parent company by the weighted average number of externally owned shares during the financial year. The shares to be paid out as rewards of the share-based incentive plan will be transferred from the shares held by the Company or shares acquired from the market, and therefore the incentive plan will have no diluting effect on the share value.

	2024	2023
Profit attributable to equity holders of the parent company (EUR 1,000)	10,396	16,647
Issue-adjusted weighted average number of shares (1,000 pcs) Jan 1	25,090	25,032
Effect of acquired own shares	0	-30
Effect of granted own shares	0	88
Effect of shares issued	122	0
Issue-adjusted weighted average number of shares (1,000 pcs) Dec 31	25,213	25,090
Basic earnings per share (EUR/share)	0.41	0.66
Diluted earnings per share (EUR/share)	0.41	0.66

16. BUSINESS COMBINATIONS

Acquisitions in 2024

STRONGIT ApS (100%)

Etteplan, strengthened its market position in Denmark by acquiring STRONGIT on January 8, 2024, which focuses on product development solutions. The successful acquisition marks a continuation in Etteplan's strategic growth journey as it complements our expertise and further expands our international operations. STRONGIT employs a team of 13 highly qualified engineering professionals and a vast network of about 70 freelancers working across Copenhagen, Århus and Gråsten. In 2023, STRONGIT's revenue was approximately 13 million euros. The goodwill of EUR 7,517 thousand arising from the acquisition is attributable to the technical know-how of the acquiree's personnel, and the expected synergies arising from the acquisition. Costs related to the acquisition, EUR 105 thousand, are included in other operating expenses in the consolidated statement of comprehensive income.

AFFRA AB (100%)

Etteplan reinforced its position in Sweden by acquiring Gothenburg based AFFRA AB on May 27, 2024, which is a consulting company specializing in software testing and in particular Hardware in the Loop (HIL) testing for the automotive and transport industry. HIL testing ensures that quality assurance during software and hardware development is implemented efficiently and safely. With immediate effect all 23 AFFRA employees with competencies in testing, software development and embedded solutions transferred to Etteplan. The goodwill of EUR 758 thousand arising from the acquisition is attributable to the technical know-how of the acquiree's personnel, and the expected synergies arising from the acquisition. Costs related to the acquisition, EUR 9 thousand, are included in other operating expenses in the consolidated statement of comprehensive income.

Acquisitions in total

The following table summarizes the values of acquisition considerations, assets acquired and liabilities assumed for the acquisitions in total.

Consideration transferred:	EUR 1,000
Cash payment	13,518
Directed share issue	2,107
Total consideration transferred	15,625
Assets and liabilities	
Tangible assets	37
Customer base (intangible assets)	5,995
Non-competition agreements (intangible assets)	320
Trade and other receivables	3,465
Cash and cash equivalents	1,216
Total assets	11,032
Other long term liabilities	16
Current liabilities	2,248
Deferred tax liability	1,417
Total liabilities	3,681
Total identifiable net assets	7,351
Formation of Goodwill:	
Consideration transferred	15,625
Total identifiable net assets	-7,351
Goodwill	8,274

The revenue included in the income statement contributed by the acquired companies was EUR 3,396 thousand and profit for the financial year was EUR 457 thousand. Had all the companies been consolidated from January 1, 2024, the income statement would show revenue of EUR 361,931 thousand and profit for the financial year of EUR 10,529 thousand.

Acquisitions in 2023

LAE Engineering GmbH (100%)

Etteplan acquired the German LAE Engineering GmbH, an engineering company with approximately 70 employees that offers specialized expertise across electrical engineering planning, power generation, building and industrial automation, as well as information management systems, and industrial IT, on July 4, 2023. The goodwill of EUR 3,037 thousand arising from the acquisition is attributable to the technical know-how of the acquiree's personnel, and the expected synergies arising from the acquisition. Goodwill was increased by EUR 150 thousand from the LAE Engineering acquisition due to the revaluation of contingent liabilities. Costs related to the acquisition, EUR 156 thousand, are included in other operating expenses in the consolidated statement of comprehensive income, EUR 79 thousand was booked in 2024 and EUR 77 thousand in 2023.

High Vision Engineering Sweden AB (100%)

Etteplan strengthened its position in Sweden and on September 4, 2023 acquired High Vision Engineering Sweden AB. High Vision Engineering is an advanced engineering service company that provides services across various phases of product development for the Swedish automotive and manufacturing industry. As a result of the deal, 40 High Vision employees transferred to Etteplan. The goodwill of EUR 1,258 thousand arising from the acquisition is attributable to the technical know-how of the acquiree's personnel, and the expected synergies arising from the acquisition. The accounting treatment for the business combination was completed in the financial year 2024. During the review period, preliminary liabilities arising from the business combination were adjusted by 131 thousand euros, resulting in an increase in goodwill from the High Vision Engineering business combination by 131 thousand euros during the financial year 2024. Costs related to the acquisition, EUR 27 thousand, are included in other operating expenses in the consolidated statement of comprehensive income.

Acquisitions in total

The following table summarizes the values of acquisition considerations, assets acquired and liabilities assumed for the acquisitions in total.

Consideration transferred:	EUR 1,000
Cash payment	8,086
Contingent consideration	250
Total consideration transferred	8,336
Assets and liabilities	
Tangible assets	1,014
Intangible assets	80
Customer base (intangible assets)	2,167
Non-competition agreements (intangible assets)	160
Trade and other receivables	4,850
Cash and cash equivalents	1,951
Total assets	10,222
Pension liability	154
Other long term liabilities	310
Current liabilities	5,030
Deferred tax liability	686
Total liabilities	6,181
Total identifiable net assets	4,041
Formation of Goodwill:	
Consideration transferred	8,336
Total identifiable net assets	-4,041
Goodwill	4,295

The revenue included in the income statement contributed by the acquired companies was EUR 6,608 thousand and profit for the financial year was EUR 644 thousand. Had all the companies been consolidated from January 1, 2023, the income statement would show revenue of EUR 367,833 thousand and profit for the financial year of EUR 15,525 thousand.

Changes in contingent considerations in 2023

A loss of EUR 197 thousand in total was recognized in the income statement from premeasurements of contingent considerations related to previous acquisitions.

17. GOODWILL AND IMPAIRMENT TESTING

EUR 1,000	2024	2023
Acquisition cost Jan 1	109,737	105,385
Translation difference	-867	297
Acquisition of subsidiaries (note 16)	8,565	4,056
Book value Dec 31	117,436	109,737

Goodwill is allocated to cash-generating units (CGUs) for determination of impairment. In impairment testing, the recoverable amount is defined as value-in-use. Value-in-use is defined as the discounted estimated future net cash flows generated by the asset or cash-generating unit.

The Group's management has defined the CGUs to be the three service areas in which the Group's operations are organized.

The impairment test is done in the fourth quarter after budgets for the next year were done and it is based on goodwill as per September 30, but will be updated as necessary to reflect the situation as of December 31st. Cash flows after tax are based on budget figures for year one and financials approved by management for the next five-year period. The management makes estimations on the market demand and market environment, which are checked against external information sources. When defining the cash flow, attention is paid to anticipated price and margin development as well as costs, net working capital and investment needs. The management determines these based on past performance and expectations for market development.

The discount rate applied to cash flow projections is determined based on the post-tax weighted average cost of capital (WACC) that depicts the overall costs of shareholders' equity and liabilities. The discount rate is based on the weighted average of 30-year government bond rates in the countries where the CGUs operate. The bond rates are adjusted for the general market risk and the business risk of the CGUs.

The recoverable amount is compared with the book value of the cash-generating unit. An impairment loss is booked as cost in the income statement, if the recoverable amount is lower than the book value. No impairment loss has been booked during the financial year or the comparison year. No impairment losses have been recorded during the financial period or the comparison period.

Goodwill 30.9.

MEUR	2024	2023
Engineering Solutions	56.7	56.3
Software and Embedded Solutions	45.8	36.8
Technical Communication Solutions	15.3	15.3
Total	117.8	108.5
Key assumptions used for value-in-use calculations		
Aggregate growth percentage year 2-5	1.0 %	1.0 %
Growth rate after 5 years	2.0 %	2.0 %
Discount rate before tax		
Engineering Solutions	11.0 %	11.6 %
Software and Embedded Solutions	12.0 %	12.6 %
Technical Communication Solutions	11.2 %	11.8 %
Discount rate after tax		
Engineering Solutions	9.1 %	9.4 %
Software and Embedded Solutions	9.8 %	10.4 %
Technical Communication Solutions	9.0 %	9.5 %
The recoverable amount exceeds the book value as follows (MEUR):		
Engineering Solutions	145.9	127.1
Software and Embedded Solutions	55.5	55.6
Technical Communication Solutions	49.6	48.4
Total	250.9	231.1

Sensitivity analysis

In connection with impairment testing, sensitivity analyses were performed using the following variables:

- Zero growth in net sales
- Decrease of profitability (EBIT) by 4 percentage points
- Increase of discount rate by 4 percentage points

According to the management's understanding, realization of the variables used in the sensitivity analysis would not lead to impairment losses in cash-generating units.

18. INTANGIBLE ASSETS

2024	Customer base and non-competition agreements*				
EUR 1,000	Intangible rights	Development expenses	Advance payments		Total
Acquisition cost Jan 1	13,951	3,116	58,953	266	76,285
Translation difference	46	0	-179	0	-133
Acquisition of subsidiaries	0	0	6,322	0	6,322
Additions	27	0	0	0	27
Disposals	-34	-4	0	0	-38
Reclassifications	11	-39	0	-266	-293
Acquisition cost Dec 31	14,002	3,074	65,096	0	82,171
Cumulative amortization Jan 1	-12,603	-2,954	-31,165	0	-46,721
Translation difference	-46	0	89	0	43
Amortization for the financial year	-394	-43	-5,963	0	-6,400
Cumulative amortization Dec 31	-13,042	-2,997	-37,039	0	-53,078
Book value Dec 31	959	77	28,057	0	29,093

2023

EUR 1,000	Intangible rights	Development expenses	Customer base and non-competition agreements*	Advance payments	Total
Acquisition cost Jan 1	13,175	3,060	56,374	89	72,698
Translation difference	-94	0	247	0	153
Acquisition of subsidiaries	80	0	2,332	0	2,412
Additions	703	11	0	266	980
Disposals	-9	0	0	-45	-53
Reclassifications	96	45	0	-45	96
Acquisition cost Dec 31	13,951	3,116	58,953	266	76,285
Cumulative amortization Jan 1	-12,004	-2,868	-25,753	0	-40,625
Translation difference	95	0	-68	0	26
Amortization for the financial year	-693	-86	-5,344	0	-6,122
Cumulative amortization Dec 31	-12,603	-2,954	-31,165	0	-46,721
Book value Dec 31	1,349	162	27,788	266	29,565

*Intangible assets acquired in business combinations EUR 28,057 consist of acquired customer bases of EUR 27,727 thousand (2023: EUR 27,478 thousand) and non-competition agreements of EUR 330 thousand (2023: EUR 309 thousand)..

19. TANGIBLE ASSETS

2024

EUR 1,000	Land and water	Buildings	Machinery and equipment	Other tangible assets	Total
Acquisition cost Jan 1	19	0	18,484	1,974	20,478
Translation difference	0	0	-3	1	-2
Acquisition of subsidiaries	0	0	0	1	1
Additions	0	0	791	1,598	2,389
Disposals	0	0	-267	-1	-268
Reclassifications	0	0	72	240	312
Acquisition cost Dec 31	19	0	19,077	3,814	22,910
Cumulative depreciation Jan 1	0	0	-15,471	-1,604	-17,075
Translation difference	0	0	-17	-2	-18
Depreciation for the financial year	0	0	-1,148	-186	-1,334
Cumulative depreciation Dec 31	0	0	-16,636	-1,792	-18,428
Book value Dec 31	19	0	2,441	2,022	4,482

2023

EUR 1,000	Land and water	Buildings	Machinery and equipment	Other tangible assets	Total
Acquisition cost Jan 1	19	495	17,417	1,834	19,766
Translation difference	0	0	-46	-4	-50
Acquisition of subsidiaries	0	0	249	0	249
Additions	0	0	900	149	1,048
Disposals	0	-495	-33	-4	-532
Reclassifications	0	0	-4	0	-5
Acquisition cost Dec 31	19	0	18,484	1,974	20,478
Cumulative depreciation Jan 1	0	-25	-14,303	-1,491	-15,819
Translation difference	0	0	53	2	55
Depreciation for the financial year	0	-16	-1,221	-116	-1,352
Cumulative depreciation Dec 31	0	0	-15,471	-1,604	-17,075
Book value Dec 31	19	0	3,013	370	3,402

20. RIGHT-OF-USE ASSETS

2024

EUR 1,000	Leased software	Machinery and equipment	Premises	Total
Acquisition cost Jan 1	8,229	29,807	51,925	89,961
Translation difference	-14	-108	0	-122
Acquisition of subsidiaries	0	150	184	334
Additions	392	3,834	7,350	11,576
Disposals	0	-450	-3,017	-3,467
Acquisition cost Dec 31	8,608	33,233	56,442	98,282
Cumulative depreciation Jan 1	-7,544	-24,337	-36,759	-68,639
Translation difference	13	83	0	96
Depreciation for the financial year	-547	-3,653	-6,429	-10,629
Cumulative depreciation Dec 31	-8,078	-27,907	-43,188	-79,172
Book value Dec 31	530	5,326	13,254	19,110

2023

EUR 1,000	Leased software	Machinery and equipment	Premises	Total
Acquisition cost Jan 1	7,698	26,011	45,059	78,768
Translation difference	1	25	0	26
Acquisition of subsidiaries	0	230	542	772
Additions	530	3,663	7,367	11,560
Disposals	0	-123	-1,043	-1,165
Acquisition cost Dec 31	8,229	29,807	51,925	89,961
Cumulative depreciation Jan 1	-7,027	-20,690	-29,519	-57,236
Translation difference	-2	-20	0	-22
Depreciation for the financial year	-515	-3,626	-7,240	-11,381
Cumulative depreciation Dec 31	-7,544	-24,337	-36,759	-68,639
Book value Dec 31	686	5,470	15,166	21,322

The total cash outflow for leases in financial year 2024 was EUR 12,958 thousand (2023: EUR 13,351 thousand).

21. INVENTORY

EUR 1,000

	2024	2023
Inventory at the beginning of the financial year	806	635
Additions/Deductions	-148	172
Total	658	806

22. TRADE AND OTHER RECEIVABLES

EUR 1,000

	2024	2023
Trade receivables	54,818	55,115
Credit loss allowance	-195	-85
Other receivables	355	498
Prepayments and accrued income	6,202	5,620
Total	61,180	61,148

Main items included in prepayments and accrued income

EUR 1,000	2024	2023
Interest receivables	82	46
Accruals of employee benefits expenses	310	116
Prepaid rents	733	713
Other prepayments and accrued income on expenses	5,078	4,745
Total	6,202	5,620

Analysis of receivables by currency

EUR 1,000	2024	2023
EUR	42,011	41,832
SEK	12,005	14,052
CNY	2,108	2,288
PLN	358	514
DKK	3,434	1,775
Other currencies	1,263	688
Total	61,180	61,148

23. MANAGEMENT OF FINANCIAL RISKS

This note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance.

23.1 Financial risk factors

In its business operations, the Group is exposed to several types of financial risks: foreign currency, interest, financing and liquidity, counterparty and credit risks. The objective of financial risk management is to protect the Group from unfavorable changes in the financial market and thus contribute as much as possible to guaranteeing the Group's profitability and equity, and to guarantee sufficient liquidity in a cost-efficient manner. Management of financial risks has been centralized with the Group's financial department, which is responsible for identification and evaluation of, and protection against, the Group's financial risks. Furthermore, the financial department is responsible, in a centralized fashion, for funding of the Group, and it provides the management with information about the financial situation of the Group and the business units.

23.1.1 Foreign currency risk

Foreign currency risk related to different currencies comes about as a result of foreign currency-denominated commercial transactions and from translation of foreign-currency-denominated balance sheet items into the reporting currency.

Transaction risk

The majority of the Group's business operations are handled in the currency of the project country of the respective Group company. This means that both sales and costs are in the same currency.

Translation risk

The Group is exposed to a translation risk caused by fluctuations in foreign currency exchange rates, when it translates balance sheet items of subsidiaries based outside the euro area into its reporting currency. The main risk is with goodwill booked in Swedish Krona (SEK). The goodwill booked in SEK at the end of the financial year was EUR 31,265 thousand (2023: EUR 31,366 thousand). A sensitivity analysis of the effect of reasonable potential changes in exchange rates on the Group's profit for the financial year, equity and goodwill at balance sheet date is presented in the table below. In the analysis, the change in exchange rates has been estimated to be +/-10 percent from reporting date, and other factors are estimated to remain unchanged.

2024 EUR 1,000	Effect on profit for the financial year	Effect on other equity items	Effect on goodwill
EUR/SEK 10% increase	-296	-783	-2,842
EUR/SEK 10% decrease	362	957	3,474
EUR/PLN 10% increase	-182	-792	-406
EUR/PLN 10% decrease	222	967	496
EUR/CNY 10% increase	-83	-413	-176
EUR/CNY 10% decrease	101	505	215
EUR/DKK 10% increase	-140	-543	-967
EUR/DKK 10% decrease	171	664	1,181

2023 EUR 1,000	Effect on profit for the financial year	Effect on other equity items	Effect on goodwill
EUR/SEK 10% increase	-392	-1,060	-2,851
EUR/SEK 10% decrease	479	1,295	3,485
EUR/PLN 10% increase	-160	-600	-400
EUR/PLN 10% decrease	196	733	489
EUR/CNY 10% increase	7	-317	-170
EUR/CNY 10% decrease	-9	388	207
EUR/DKK 10% increase	-9	-150	-283
EUR/DKK 10% decrease	11	183	346

23.1.2 Interest risk

The Group is exposed to interest risk in two ways: because of changes in value for balance sheet items (i.e. price risk) and cash flow risk caused by changes in market interest rates.

On the balance sheet date, the total amount of interest-bearing debt excluding lease liabilities was EUR 76,661 thousand (2023: EUR 65,180 thousand) covered with contracts in which the interest range is between 3.68 and 4.19 percent (2023: between 4.17 and 5.39 percent). All of the Group's loans have variable interest rates.

The Group monitors the interest risk by calculating the effect of one percentage point change in interest rates on the Group's next twelve months' interest expenses. The sensitivity of the interest position to changes in interest rates is determined by calculating how much an equal one percentage point change in interest rates throughout the Group's interest rate range would change yearly interest expenses. Only interest bearing loans from financial institutions are included in the calculation. Lease liabilities are not included in the calculation. At the balance sheet date, the Group's sensitivity to an increase in interest rates of one percentage point was approximately EUR 238 thousand (2023: EUR 550 thousand).

23.1.3 Financing and liquidity risk

The Group aims to guarantee solid liquidity in all market conditions through efficient cash management. Credit limits tied to cash pool arrangements are used for short-term financing. On the balance sheet date, the Group had EUR 16,082 thousand (2023: EUR 14,055 thousand) of available credit limits, of which none (2023: none) was in use. Refinancing risk is attempted to be minimized by applying a balanced maturity schedule to the loan portfolio, ensuring sufficient maturity of loans, and using several banks as sources of financing. The level of financing is increased through additional loans when necessary.

The Group has financial covenants, which are tied to the equity ratio of the Group and to the debt/EBITDA ratio of the Group, and these mainly apply to all the group loans. In case the Group's equity ratio at the time of the Financial Statement is below 25 percent or the debt/EBITDA ratio is higher than 3.5, the financier has the right to demand immediate payment of all the Group's loans. The Group tests loan covenants quarterly. Based on figures from the interim reports and the Consolidated Financial Statements in 2023 and in 2024, the terms of these covenants were not breached, therefore, the loans are classified as long-term to the extent that they mature in more than one year. The Group believes it will comply with the covenant terms for the next 12 months from the reporting date.

To balance the cash effect of the long payment terms typical to design business, the Group sells a part of its key customer receivables to a finance institution. There is no credit risk related to the sold receivables and these receivables are not included in the Consolidated Statement of Financial Position.

Maturity analysis of financial liabilities

2024 1 000 EUR	Less than 1 year	1-5 years
Borrowings	29,216	51,690
Lease liabilities	11,349	8,362
Liabilities from acquisitions	533	131
Trade and other payables	13,758	176
Total	54,856	60,359

2023 1 000 EUR	Less than 1 year	1-5 years
Borrowings	27,884	42,236
Lease liabilities	12,843	8,560
Liabilities from acquisitions	100	500
Trade and other payables	13,576	526
Total	54,403	51,823

Liabilities from acquisitions in December 31, 2024 consist of LAE Engineering GmbH purchase price EUR 533 thousand which will be paid on 4th of September, 2025 and High Vision Engineering Sweden AB deferred payment amount EUR 131 thousand, which will be paid by April 30, 2028.

Reconciliation of cash flow from financing activities and changes in financial liabilities

EUR 1,000 EUR	2024	2023
Interest-bearing liabilities Jan 1	86,583	90,583
Financing cash flow	334	-15,325
Non-monetary changes		
Changes in lease agreements	8,144	10,206
Loans and lease liabilities assumed in business combinations	334	772
Translation differences and other changes*	476	348
Non-monetary changes, total	8,954	11,325
Interest-bearing liabilities Dec 31	95,872	86,583

* In 2024, retention amount from LAE acquisition EUR 500 thousand was reclassified from non-interest bearing liabilities to interest-bearing liabilities.

23.1.4 Counterparty and credit risk

Financing contracts have the associated risk of the counterparty being unable to fulfill its obligations under the contract. To minimize the counterparty risk financing contracts are concluded with leading Nordic banks that have a good credit rating.

Credit risk related to business operations arises out of a customer's inability to perform its contractual obligations. A considerable proportion of the Group's business operations focus on large, financially solid companies that operate internationally. Credit risk is also reduced by the customer companies being divided among several different sectors of operation. The Group aims to ensure that services are sold only to such customers that have an appropriate credit rating. Credit risk is controlled systematically, and overdue sales receivables are assessed on a weekly basis. The Company strives to control the effects of increased financial uncertainty by actively monitoring its receivables and by an efficient debt collection process. The maximum customer credit risk exposure at the end of the financial year is the book value of accounts receivable.

Expected credit loss allowance

To measure expected credit losses the Group applies the IFRS 9 simplified approach which uses a lifetime expected loss allowance for all trade receivables and contract assets ("Work in progress") including amounts not due.

As described in the table below, trade receivables and contract assets are grouped based on shared credit risk characteristics and the days past due. The measurement of the expected credit losses includes forward-looking information in the form of the estimated growth of the EU gross domestic product. In addition to the lifetime expected credit loss allowance, the Group's management estimates expected credit losses case-by-case, generally the Group recognizes a 50 percent provision for impairment for receivables that are more than 60 days past due and a 100 percent provision for receivables that are more than 90 days past due.

2024 EUR 1,000	Not due	Past due				Total
		1-30 d	31-60 d	61-90 d	> 90 d	
Expected loss rate	0.1%	0.1%	1.5%	5.5%	6.5%	
Trade receivables	47,363	5,360	1,053	202	840	54,818
Work in progress	28,406	0	0	0	0	28,406
Lifetime expected credit loss allowance	60	6	16	11	55	147
Case-by-case credit loss allowance					48	48
Expected credit loss allowance						195

2023 EUR 1,000	Not due	Past due				Total
		1-30 d	31-60 d	61-90 d	> 90 d	
Expected loss rate	0.1%	0.1%	1.3%	4.4%	6.9%	
Trade receivables	47,618	5,361	1,120	79	937	55,115
Work in progress	30,662	0	0	0	0	30,662
Lifetime expected credit loss allowance	57	5	15	4	65	145
Case-by-case credit loss allowance					-59	-59
Expected credit loss allowance						85

Movements of the allowance for impairment

EUR 1,000	2024	2023
Expected credit loss allowance Jan 1	-85	-394
Net reduction (+) / (-) increase in credit loss allowance	-110	308
Expected credit loss allowance Dec 31	-195	-85

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

23.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets.

Consistent with other companies in the industry, the Group monitors capital on the basis of the net gearing ratio. This ratio is calculated as net debt divided by equity. Net debt is calculated as total gross interest-bearing debt less cash and cash equivalents. To ensure sufficient flexibility, the goal is to keep the net gearing ratio within 30-100 percent. The following table sets out the Group's net gearing ratio:

EUR 1,000	2024	2023
Gross interest-bearing debt	95,872	86,582
Less: Cash and cash equivalents	-25,241	-23,442
Net debt	70,631	63,140
Total equity	117,803	114,091
Net gearing ratio	60.0%	55.3%

24. FINANCIAL INSTRUMENTS BY MEASUREMENT CATEGORY**Financial assets 2024**

EUR 1,000	Note	Amortized cost	Fair value through OCI	Book value total
Quoted and unquoted shares	24		9,534	9,534
Trade and other receivables	22	55,893		55,893
Cash and cash equivalents		25,241		25,241
Financial assets Dec 31		81,134	9,534	90,668

Financial liabilities 2024

EUR 1,000	Note	Amortized cost	Fair value through profit and loss	Book value total
Loans from financial institutions	26	76,161		76,161
Lease liabilities	26	19,211		19,211
Liabilities from acquisitions	16, 27		663	663
Trade and other payables	28	13,803		13,803
Financial liabilities Dec 31		109,175	663	109,838

Financial assets 2023

EUR 1,000	Note	Amortized cost	Fair value through OCI	Book value total
Quoted and unquoted shares	24		2,376	2,376
Trade and other receivables	22	56,500		56,500
Cash and cash equivalents		23,442		23,442
Financial assets Dec 31		79,942	2,376	82,318

Financial liabilities 2023

EUR 1,000	Note	Amortized cost	Fair value through profit and loss	Book value total
Loans from financial institutions	26	65,180		65,180
Lease liabilities	26	21,404		21,404
Liabilities from acquisitions	16, 27		600	600
Trade and other payables	28	13,602		13,602
Financial liabilities Dec 31		100,185	600	100,785

The fair values of financial instruments materially correspond to their book values.

Fair value hierarchy

The tables below analyze financial instruments carried at fair value, by valuation method. The different levels are defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly as prices or indirectly, derived from prices.

Level 3: Unobservable inputs that are not based on observable market data.

Financial assets recognized at fair value through OCI

2024 EUR 1,000	Quoted shares (Level 1)	Premises shares (Level 2)	Unquoted shares and loan receivables (Level 3) ¹	Total
Opening balance at Jan 1	199	120	3,019	3,339
Investments in shares ²	0	0	7,176	7,176
Gain/loss recognized in other comprehensive income	6	0	-8	-2
Translation differences	0	0	-63	-63
Closing balance Dec 31	205	120	10,125	10,450

¹ Ekkono Solutions AB and BJIT are valued based on forecasted discounted cash flows (Value-In-Use).

² Investment in BJIT shares.

2023 EUR 1,000	Quoted shares (Level 1)	Premises shares (Level 2)	Unquoted shares and loan receivables (Level 3)	Total
Opening balance at Jan 1	237	120	3,019	3,376
Gain/loss recognized in other comprehensive income	-38	0	0	-38
Closing balance Dec 31	199	120	3,019	3,339

The valuation method for shares and loan receivables is based on completed transactions or the present value of discounted cash flows.

Financial liabilities recognized at fair value through profit or loss

Contingent liability in acquisition (Level 3) EUR 1,000	2024	2023
Opening balance at Jan 1	100	33
Additions	0	100
Revaluation	83	197
Payment	-183	-230
Closing balance Dec 31	0	100

Additional information regarding contingent liabilities in acquisitions is provided in note 16 Business combinations.

25. EQUITY

Shareholder's equity

Shareholders' equity consists of share capital, share premium account, unrestricted equity fund, own shares, cumulative translation adjustment, other reserves and retained earnings. Share premium account contains the emission gain from the original stock listing as well as funds raised in bonus issues. Unrestricted equity fund includes funds raised in share issues, which the board has decided to record in the Unrestricted equity fund with the authorization of the general meeting.

Translation differences contain translation differences arising from the conversion of financial statements of foreign units and the foreign subsidiary net investment hedge. The aggregate amount of the net investment hedge (EUR 149 thousand) related to the Swedish unit is recorded in the profit and loss statement upon disposal of the unit. Other reserves include the fair value reserve, which consists of fair value adjustments of investments at fair value through other comprehensive income amounting to EUR 70 thousand (2023: EUR 73 thousand). The aggregate amount of fair value adjustments are recorded in Retained earnings upon disposal of the investments.

Share and share capital

Etteplan Oyj has one series of shares. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

The fully paid and registered share capital of the Company at the end of the financial year was EUR 5,000,000 and the number of shares was 25,350,793 (2023: 25,200,793). No changes in share capital occurred during the financial year. The Company has one series of shares. Each share entitles its holder to one vote in the shareholders' meeting and gives an equal right to dividends.

Shares are listed on Nasdaq Helsinki Ltd under the ETTE ticker. The share has no nominal value and there is no maximum number of shares. All issued shares are fully paid.

Where any Group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are canceled or reissued.

Where such shares are subsequently reissued, any consideration received, net of any directly attributable

incremental transaction costs and the related income tax effects, is included in equity attributable to the equity holders of the Parent Company.

The number of company-held shares at the end of the financial year was 100,921 (2023: 100,921).

The Board of Directors' authorization to acquire and dispose own shares and to increase the share capital through a rights issue is disclosed in the Board of directors' review.

A liability is recognized for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

The Board of Directors has proposed to the Annual General Meeting a dividend of EUR 0.22 to be paid per share for the financial year 2024. For the financial year 2023 dividend of EUR 0.30 was paid.

26. INTEREST-BEARING LIABILITIES

Loans from financial institutions

Analysis by currency

EUR 1,000	2024	2023
Non-current loans from financial institutions		
EUR	49,473	40,167
Total	49,473	40,167
Current loans from financial institutions		
EUR	26,688	24,719
CNY	0	293
Total	26,687	25,011

Covenant loans amount to EUR 75,850 thousand (2023: EUR 64,500 thousand) on the balance sheet date.

Lease liabilities**Analysis by currency**

EUR 1,000	2024	2023
Non-current lease liabilities		
EUR	6,063	5,481
SEK	1,836	2,427
CNY	200	183
PLN	179	429
DKK	84	41
Total	8,362	8,560
Current lease liabilities		
EUR	8,640	10,587
SEK	1,681	1,622
CNY	201	260
PLN	211	300
DKK	116	75
Total	10,849	12,843

27. OTHER NON-CURRENT LIABILITIES

EUR 1,000	2024	2023
Liability from acquisitions	131	500
Other non-current liabilities	45	26
Total	176	526

28. TRADE AND OTHER PAYABLES

EUR 1,000	2024	2023
Trade payables	13,758	13,576
Accrued liabilities	32,564	32,053
Tax payables	14,488	15,112
Liability from acquisitions	533	100
Other payables	0	8
Total	61,343	60,849

Main items included in accrued expenses and income

EUR 1,000	2024	2023
Interest liabilities	451	573
Accrued employee benefits expenses	29,309	28,435
Other accrued expenses and income	2,804	3,045
Total	32,564	32,053

Analysis by currency

EUR 1,000	2024	2023
EUR	43,871	45,668
SEK	12,502	12,282
CNY	1,301	853
PLN	1,735	1,510
DKK	1,802	474
Other	133	60
Total	61,343	60,849

29. PLEDGES, MORTGAGES AND GUARANTEES

EUR 1,000	2024	2023
Business mortgages	320	320
Pledged shares	120	120
Other contingencies	1,007	599
Total	1,447	1,039

30. RELATED-PARTY TRANSACTIONS

The Group's related party includes such persons that have control, joint control or significant influence over the Group. Also, the Group's key management personnel is included in the related party. Key management personnel refers to persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group. Key management personnel also include individuals who are part of the management of the Group's ultimate parent company, Ingman Group Oy Ab. Ingman Group Oy Ab is the ultimate controlling party, and it belongs to the Group's related party alongside with its' group companies and associate companies. Spouses, wards and companies in control or joint control of the before mentioned persons are considered as other related parties. Related party transactions are priced according to Group's normal pricing basis and purchase conditions, which are equivalent to those that prevail in arm's length transactions.

Group companies Dec 31, 2024

Company	Domicile	Group's / Parent company's holding
Parent company Etteplan Oyj	Espoo, Finland	
Etteplan Germany GmbH	Leverkusen, Germany	100% / 100%
Etteplan Deutschland GmbH	Neukirchen-Vlyun, Germany	100% / 0%
Etteplan Defense GmbH	Koblenz, Germany	100% / 0%
Etteplan Finland Oy	Lahti, Finland	100% / 100%
Etteplan Poland sp.z.o.o.	Wroclaw, Poland	100% / 0%
Etteplan Sweden AB	Västerås, Sweden	100% / 100%
Etteplan Technology Center Ltd.	Kunshan, China	100% / 0%
Etteplan Consulting (Shanghai) Co., Ltd.	Shanghai, China	100% / 100%
Etteplan B.V.	Eindhoven, the Netherlands	100% / 100%
Etteplan Netherlands B.V.	Eindhoven, the Netherlands	100% / 0%
Etteplan USA Inc.	Austin (TX), USA	100% / 0%
Syncore technologies AB	Linköping, Sweden	100% / 100%
Etteplan Denmark A/S	Herlev, Denmark	100% / 100%
High Vision Engineering Sweden AB	Göteborg, Sweden	100% / 100%
STRONGIT ApS	Gråsten, Denmark	100% / 100%
STRONGIT København ApS	Ballerub, Denmark	100% / 0%
AFFRA AB	Göteborg, Sweden	100% / 100%

The following group companies have been merged in 2024:

Company	Domicile	Merged to
LAE Engineering GmbH	Wiesloch, Germany	Etteplan Germany GmbH
LAE Anlagenbau GmbH	Wiesloch, Germany	Etteplan Germany GmbH

The following transactions were carried out with related parties

EUR 1,000	2024	2023
Sales and purchases of services and related receivables and payables		
Sales of services to other related parties	36	42
Purchases of services from other related parties	36	37

Key management compensation

Key management of Etteplan Oyj includes the Board of Directors, CEO and Management Group.

Salaries, fees and fringe benefits paid to management

EUR 1,000	2024	2023
Members of the Board	348	330
CEO	635	1,679
Other members of the Management Group	2,010	4,010
Total	2,992	6,019

Fees paid to the members of the Board

EUR 1,000	2024	2023
Members of the Board		
Robert Ingman, Chairman of the Board	92	85
Matti Huttunen	49	45
Päivi Lindqvist	51	47
Leena Saarinen, until Apr 9, 2024	11	46
Mikko Tepponen	47	43
Sonja Sarasvuo	48	32
Tomi Ristimäki	48	32
Total	348	330

Salaries, fees, and other benefits paid to the CEO and the other members of the Management Group

	CEO Juha Näkki		Other members of the Management group	
EUR 1,000	2024	2023	2024	2023
Short-term employee benefits	544	669	1,685	2,201
Post-employment benefits	91	112	324	419
Other long-term benefits	0	0	0	0
Termination benefits	0	0	0	0
Share-based payments	0	898	0	1,390
Management compensation total	635	1,679	2,010	4,010

The Annual General Meeting annually resolves the remuneration for the members of the Board of Directors.

31. EVENTS AFTER THE BALANCE SHEET DATE

Etteplan strengthened its position in Central Europe by acquiring Novacon Powertrain GmbH on January 14, 2025. Novacon Powertrain is a product engineering services company focused on electrification in the automotive industry and the development of engine technology. The acquisition brings Etteplan a new product development unit with strong expertise in the electrification of motoring and rail traffic as well as in the development of advanced powertrains. Novacon Powertrain has grown strongly by providing advanced technology to meet the changing needs of leading car manufacturers in a rapidly evolving industry. The turnover of the company, which employs about 180 professionals, was approximately EUR 18 million in 2023. The initial accounting process for the acquisition is still in progress, which is why other information required by IFRS 3 cannot be presented for the acquisition at this time.

Parent Company's Financial Statements

PARENT COMPANY'S INCOME STATEMENT

EUR, financial period Jan 1 - Dec 31 (FAS)	Note	2024	2023
Revenue	1	17,901,657.36	18,863,945.10
Other operating income	2	0.00	31,237.59
Staff costs	3	-6,675,409.92	-5,800,734.65
Depreciation and amortization	10, 11	-339,100.85	-379,920.41
Other operating expenses	5	-10,583,540.39	-10,034,910.33
Operating profit/loss		303,606.20	2,679,617.30
Financial income and expenses	6, 7	11,772,048.54	12,580,472.23
Profit/loss before appropriations and taxes		12,075,654.74	15,260,089.53
Appropriations	8	12,033,483.89	15,129,171.74
Income taxes	9	-1,698,172.34	-2,660,574.27
Profit for the financial year		22,410,966.29	27,728,687.00

PARENT COMPANY'S BALANCE SHEET

EUR, Dec 31 (FAS)	Note	2024	2023
Assets			
Non-current assets			
Intangible assets	10	319,269.64	595,985.09
Tangible assets	11	125,724.06	159,891.69
Shares in group companies	12	174,560,995.97	158,690,119.73
Other investments	12	2,044,879.17	2,052,397.84
Non-current receivables	13	20,740,563.47	14,815,837.87
Total non-current assets		197,791,432.31	176,314,232.22
Current assets			
Current receivables	14	20,140,189.34	21,610,629.06
Cash and cash equivalents	15	13,439,829.10	14,893,172.87
Current assets, total		33,580,018.44	36,503,801.93
Total assets		231,371,450.75	212,818,034.15

EUR, Dec 31 (FAS)	Note	2024	2023
Equity and liabilities			
Equity			
Share capital	16	5,000,000.00	5,000,000.00
Share premium account	16	6,701,187.41	6,701,187.41
Unrestricted equity fund	16	26,186,602.11	24,079,413.43
Own Shares	16	-1,718,906.02	-1,718,906.02
Retained earnings	16	48,453,511.18	28,254,785.78
Profit for the financial year	16	22,410,966.29	27,728,687.00
Total equity		107,033,360.97	90,045,167.60
Appropriations	17	196,613.25	230,097.14
Liabilities			
Non-current liabilities	18	49,330,518.54	39,850,000.00
Current liabilities	19	74,810,957.99	82,692,769.41
Total liabilities		124,141,476.53	122,542,769.41
Total equity and liabilities		231,371,450.75	212,818,034.15

PARENT COMPANY'S CASH FLOW STATEMENTS

EUR, financial period Jan 1 - Dec 31 (FAS)	2024	2023
Operating cash flow		
Cash receipts from Group companies	17,663,072.55	18,350,710.68
Operating expenses paid	-17,098,647.44	-17,960,437.50
Operating cash flow before financial items and taxes	564,425.11	390,273.18
Interest and payment paid for financial expenses	-5,394,403.09	-3,519,476.10
Dividends and interest received	16,540,529.64	16,296,386.74
Income taxes paid	-2,408,075.00	-2,156,377.20
Operating cash flow (A)	9,302,476.66	11,010,806.62
Investing cash flow		
Purchase of tangible and intangible assets	102,300.77	-75,121.14
Acquisition of subsidiaries	-13,763,687.56	-1,773,276.20
Loans granted to Group companies	-7,439,688.00	-7,800,000.00
Repayment of loans granted to Group companies	1,485,000.00	635,000.00
Gains on disposal of other investments	1.00	0.00
Investing cash flow (B)	-19,616,073.79	-9,013,397.34

EUR, financial period Jan 1 - Dec 31 (FAS)	2024	2023
Financing cash flow		
Purchase of own shares	0.00	-486,226.17
Proceeds from loans	38,000,000.00	28,500,000.00
Repayments of loans	-26,650,972.44	-31,131,563.44
Change of internal bank account liabilities	-10,219,021.56	-1,124,657.45
Dividend paid	-7,529,961.60	-9,015,028.92
Group contribution	15,000,000.00	15,000,000.00
Financing cash flow (C)	8,600,044.40	1,742,524.02
Variation in cash (A+B+C) increase (+) / decrease (-)	-1,713,552.73	3,739,933.30
Assets at the beginning of the period	14,893,172.87	11,241,985.24
Exchange gains or losses on cash and cash equivalents	260,208.96	-88,745.67
Assets at the end of the financial period	13,439,829.10	14,893,172.87

NOTES TO THE FINANCIAL STATEMENTS OF THE PARENT COMPANY

PARENT COMPANY'S ACCOUNTING POLICIES

The financial statements of the parent company, Etteplan Oyj, are prepared in accordance with Finnish accounting and company legislation (FAS).

Etteplan Oyj's revenue consists of software and management fees from Group companies.

Capitalized development expenses

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognized as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use
- management intends to complete the software product and use or sell it
- there is an ability to use or sell the software product
- it can be demonstrated how the software product will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available, and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs, which are capitalized as part of the software product, include the software development employee expenses and an appropriate portion of relevant overheads. Other development expenditures, that do not meet these criteria, are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period. Computer software development costs recognized as assets are amortized over their estimated useful lives.

Measurement of non-current assets

Non-current assets are capitalized in the balance sheet at historical cost less depreciation according to plan and possible impairment loss. Depreciation according to plan is based on the estimated useful life of the asset. Land areas are considered to have an unlimited useful life. The useful lives of other non-current assets are:

software	5 years
computers	3 years
office furniture	5 to 10 years
renovation of premises	5 years
goodwill	5 to 10 years
capitalized development expenditure	3 to 5 years

Maintenance and repair costs are expensed. Major basic improvement investments are capitalized and depreciated over their useful life. Capital gains and losses arising on the retirement and sale of non-current assets are included either in other operating income or under other operating expenses.

Income taxes

Taxes in the income statement include taxes based on taxable earnings for the financial period as well as corrections to taxes for previous periods. Taxes based on taxable earnings are calculated using the tax rate in force at the time of the financial statement.

Pension agreements

Pension security for the employees of the parent company is arranged with external pension insurance companies. Pension expenses are recorded as expenses in the year in which they are incurred.

Lease agreements

Contractual lease payments are expensed over the lease period.

NOTES TO THE INCOME STATEMENT, PARENT COMPANY

1. REVENUE

EUR	2024	2023
Finland	17,901,657.36	18,863,945.10

Revenue consists of software and management fees from Etteplan Group companies.

2. OTHER OPERATING INCOME

EUR	2024	2023
Other operating income	0.00	31,237.59
Total	0.00	31,237.59

3. NUMBER OF PERSONNEL AND STAFF COSTS

	2024	2023
Personnel		
Personnel at year-end	68	71
Personnel, average	71	69
Personnel by category		
Administration personnel	68	71
Total	68	71

EUR	2024	2023
Staff costs		
Wages and salaries	5,653,432.59	4,791,127.73
Pension costs - defined contribution plans	907,453.46	858,100.18
Other indirect employee costs	114,523.87	151,506.74
Total	6,675,409.92	5,800,734.65

Employee benefits of the Board of Directors and top management are disclosed in point 30 *Related party transactions* of the notes to the consolidated financial statements.

4. AUDIT FEES

EUR	2024	2023
Auditing, KPMG Oy Ab	41,968.11	57,077.19
Auditor's statements based on laws and regulations, KPMG Oy Ab	16,796.63	5,177.72
Other services (tax services), KPMG Oy Ab	78,428.31	43,110.97
Other services (other services), KPMG Oy Ab	248.40	8,606.25
Total	137,441.45	113,972.13

5. OTHER OPERATING EXPENSES

EUR	2024	2023
Leasing and rents	2,002,489.76	1,618,145.34
IT costs	5,034,854.82	5,366,373.02
Services from Group companies	899,574.39	774,501.08
Loss on disposal of subsidiary shares	7,517.67	0.00
Other operating expenses	2,639,103.75	2,275,890.89
Total	10,583,540.39	10,034,910.33

6. FINANCIAL INCOME

EUR	2024	2023
Intra-Group dividend income	15,691,091.04	15,773,375.58
Dividend and interest income from others	688,123.98	474,262.26
Interest and other financial income, Intra-Group	516,588.81	210,545.29
Foreign exchange	20,626.07	-52,227.00
Total	16,916,429.90	16,405,956.13

7. FINANCIAL EXPENSES

EUR	2024	2023
Intra-Group interest expense	1,468,440.07	932,433.24
Interest expense on borrowings from others	3,861,814.05	2,826,417.06
Foreign exchange loss	-185,872.76	66,633.60
Total	5,144,381.36	3,825,483.90

8. APPROPRIATIONS

EUR	2024	2023
Group contributions received	12,000,000.00	15,000,000.00
Increase (-) / decrease (+) in depreciation in excess of plan	33,483.89	129,171.74
Total	12,033,483.89	15,129,171.74

9. INCOME TAXES

EUR	2024	2023
Tax on income from operations	1,702,285.51	2,663,187.33
Tax corrections for previous accounting periods	-4,113.17	-2,613.06
Total	1,698,172.34	2,660,574.27

NOTES TO THE BALANCE SHEET, PARENT COMPANY

10. INTANGIBLE ASSETS

2024

EUR	Intangible rights	Other intangible assets	Goodwill	Total
Acquisition cost Jan 1	5,834,874.29	153,010.00	2,499,728.53	8,487,612.82
Additions	13,050.00	0.00	0.00	13,050.00
Acquisition cost Dec 31	5,847,924.29	153,010.00	2,499,728.53	8,500,662.82
Cumulative amortization Jan 1	-5,575,842.87	-153,010.00	-2,162,774.86	-7,891,627.73
Amortization for the financial year	-86,145.15	0.00	-203,620.30	-289,765.45
Cumulative amortization Dec 31	-5,661,988.02	-153,010.00	-2,366,395.16	-8,181,393.18
Book value Dec 31	185,936.27	0.00	133,333.37	319,269.64

2023

EUR	Intangible rights	Other intangible assets	Goodwill	Total
Acquisition cost Jan 1	5,821,961.67	153,010.00	2,499,728.53	8,474,700.20
Additions	12,912.62	0.00	0.00	12,912.62
Acquisition cost Dec 31	5,834,874.29	153,010.00	2,499,728.53	8,487,612.82
Cumulative amortization Jan 1	-5,457,821.64	-153,010.00	-1,950,693.81	-7,561,525.45
Amortization for the financial year	-118,021.23	0.00	-212,081.05	-330,102.28
Cumulative amortization Dec 31	-5,575,842.87	-153,010.00	-2,162,774.86	-7,891,627.73
Book value Dec 31	259,031.42	0.00	336,953.67	595,985.09

11. TANGIBLE ASSETS

2024 EUR	Machinery and equipment	Other tangible assets	Total
Acquisition cost Jan 1	1,430,916.23	66,104.18	1,497,020.41
Additions	6,560.21	8,607.56	15,167.77
Acquisition cost Dec 31	1,437,476.44	74,711.74	1,512,188.18
Cumulative depreciation Jan 1	-1,276,859.40	-60,269.32	-1,337,128.72
Depreciation for the financial year	-46,233.65	-3,101.75	-49,335.40
Cumulative depreciation Dec 31	-1,323,093.05	-63,371.07	-1,386,464.12
Book value Dec 31	114,383.39	11,340.67	125,724.06

2023 EUR	Machinery and equipment	Other tangible assets	Total
Acquisition cost Jan 1	1,402,643.25	64,986.64	1,467,629.89
Additions	28,272.98	1,117.54	29,390.52
Acquisition cost Dec 31	1,430,916.23	66,104.18	1,497,020.41
Cumulative depreciation Jan 1	-1,229,024.95	-58,285.64	-1,287,310.59
Depreciation for the financial year	-47,834.45	-1,983.68	-49,818.13
Cumulative depreciation Dec 31	-1,276,859.40	-60,269.32	-1,337,128.72
Book value Dec 31	154,056.83	5,834.86	159,891.69

12. INVESTMENTS

2024 EUR	Shares in Group companies	Other investments	Total
Acquisition cost Jan 1	158,690,119.73	2,052,397.84	160,742,517.57
Increases	15,870,876.24	0.00	15,870,876.24
Decreases	0.00	-7,518.67	-7,518.67
Acquisition cost Dec 31	174,560,995.97	2,044,879.17	176,605,875.14
Book value Dec 31	174,560,995.97	2,044,879.17	176,605,875.14

2023 EUR	Shares in Group companies	Other investments	Total
Acquisition cost Jan 1	156,916,843.53	2,052,397.84	158,969,241.37
Increases	1,773,276.20	0.00	1,773,276.20
Decreases	0.00	0.00	0.00
Acquisition cost Dec 31	158,690,119.73	2,052,397.84	160,742,517.57
Book value Dec 31	158,690,119.73	2,052,397.84	160,742,517.57

The parent company's direct holdings in Group companies are listed in point 30 *Related-party transactions* of the notes to the consolidated financial statements.

13. NON-CURRENT RECEIVABLES

EUR	2024	2023
Non-current receivables		
Loan receivables from Group companies	19,824,688.00	13,870,000.00
Loan receivables from Others	915,875.47	945,837.87
Non-current receivables, total	20,740,563.47	14,815,837.87

14. CURRENT RECEIVABLES

EUR	2024	2023
Current receivables from Group companies		
Trade receivables	3,004,821.36	2,691,972.66
Group contribution receivables	12,000,000.00	15,000,000.00
Other receivables	1,899,042.84	1,648,724.78
Current receivables from others		
Current prepayments and accrued income	2,274,610.67	2,017,219.81
Tax receivables	961,714.47	251,811.81
Other short-term receivables	0.00	900.00
Current receivables, total	20,140,189.34	21,610,629.06
Main items included in prepayments and accrued income		
Prepayments of IT costs	2,015,887.65	1,803,945.61
Other prepayments and accrued income on expenses	258,723.02	213,274.20
Total	2,274,610.67	2,017,219.81

15. CASH AND CASH EQUIVALENTS

EUR	2024	2023
Bank accounts and cash	13,439,829.10	14,893,172.87
Total	13,439,829.10	14,893,172.87

Cash and cash equivalents in the balance sheet correspond with the financial assets in the cash flow statement.

16. EQUITY

EUR	2024	2023
Restricted equity		
Share capital Jan 1	5,000,000.00	5,000,000.00
Share capital Dec 31	5,000,000.00	5,000,000.00
Share premium account Jan 1	6,701,187.41	6,701,187.41
Share premium account Dec 31	6,701,187.41	6,701,187.41
Restricted equity, total	11,701,187.41	11,701,187.41
Unrestricted equity		
Unrestricted equity fund Jan 1	24,079,413.43	24,079,413.43
Acquisition of a subsidiary paid in shares	2,107,188.68	0.00
Unrestricted equity fund Dec 31	26,186,602.11	24,079,413.43
Treasury shares Jan 1	-1,718,906.02	-2,064,007.96
Additions	0.00	-486,226.17
Share-based incentive plan	0.00	831,328.11
Treasury shares Dec 31	-1,718,906.02	-1,718,906.02
Retained earnings Jan 1	55,983,472.78	37,061,267.81
Dividends paid	-7,529,961.60	-9,015,028.92
Share-based incentive plan	0.00	208,546.89
Retained earnings Dec 31	48,453,511.18	28,254,785.78
Profit for the financial year	22,410,966.29	27,728,687.00
Unrestricted equity total	95,332,173.56	78,343,980.19
Shareholders' equity, total	107,033,360.97	90,045,167.60

EUR	2024	2023
Distributable funds Dec 31		
Retained earnings	48,453,511.18	28,254,785.78
Treasury shares	-1,718,906.02	-1,718,906.02
Unrestricted equity fund	26,186,602.11	24,079,413.43
Profit for the financial year	22,410,966.29	27,728,687.00
Distributable funds Dec 31	95,332,173.56	78,343,980.19
Number of shares Jan 1	25,200,793	25,200,793
Acquisition of a subsidiary paid in shares	150,000	0.00
Number of shares Dec 31	25,350,793	25,200,793

Additional information regarding the shares is presented in point 25 *Shares and share capital* of the notes to the consolidated financial statements.

17. ACCUMULATED APPROPRIATIONS

EUR	2024	2023
Depreciation in excess of plan	196,613.25	230,097.14
Total	196,613.25	230,097.14

18. NON-CURRENT LIABILITIES

EUR	2024	2023
Loans from financial institutions	49,200,000.00	39,850,000.00
Accrued liabilities on acquisitions	130,518.54	0.00
Total	49,330,518.54	39,850,000.00

19. CURRENT LIABILITIES

EUR	2024	2023
Current liabilities to group companies		
Trade payables	108,633.94	150,486.60
Other payables	0.00	320.00
Internal bank account liabilities	43,996,001.04	54,215,022.60
Current liabilities to others		
Trade payables	1,234,752.54	913,752.82
Other liabilities	392,726.23	522,012.27
Accrued expenses	2,428,844.24	2,240,202.68
Loans from financial institutions	26,650,000.00	24,650,972.44
Current liabilities total	74,810,957.99	82,692,769.41
Main items included in accrued expenses		
Interest liabilities	450,776.67	492,367.33
Accrued employee expenses	1,144,376.96	1,156,933.35
Other accrued expenses	833,690.61	590,902.00
Total	2,428,844.24	2,240,202.68

20. PLEDGED, MORTGAGES AND GUARANTEES

EUR	2024	2023
Guarantees given		
Other contingencies	319,557.04	319,557.04
Guarantees for Group companies	70,175.44	69,132.39
Finance Lease liabilities		
For payment in next financial year	3,653,543.20	3,722,463.69
For payment later	3,855,551.42	4,082,962.29
Operating Lease liabilities		
For payment in next financial year	450,858.58	442,520.00
For payment later	675,823.11	1,103,690.00
Credit limits		
Total credit limit available	10,181,691.25	8,253,064.17
Pledges, mortgages and guarantees total	19,207,200.04	17,993,389.58

Loan guarantees on behalf of subsidiaries

Etteplan Oyj has given a Parent Company guarantee totalling EUR 154 thousand for loans, of which EUR 0 is in use, for Etteplan Poland sp.z.o.o.

21. EVENTS AFTER THE BALANCE SHEET DATE

Etteplan, strengthened its market position in Denmark by acquiring STRONGIT on January 8, 2024, which focuses on product development solutions. Further information on the acquisition can be found in Note 31 of the consolidated financial statements.

Board of Directors' dividend proposal

On December 31, 2024, the parent company's distributable shareholders' equity amounted to EUR 95,3 million, of which the net profit for the financial year was EUR 22,4 million.

The Board of Directors proposes that from the distributable funds at the disposal of the Annual General Meeting, a dividend of EUR 0.22 per share be paid on the Company's externally owned shares, for a maximum amount of EUR 5,6 million. Dividend will not be paid out to shares that are company-held on the record date of dividend payout, April 10, 2025.

No substantial changes have occurred in the financial position of the Company since the end of the financial year. The Company's liquidity is good and the Board of Directors judges that the proposed distribution of dividend will not endanger the Company's solvency.

It is proposed that the dividend be paid on April 17, 2025.

Confirmation of the Board of Directors and the CEO

We confirm that

- the consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and the financial statements of the parent company prepared in accordance with the laws and regulations governing the preparation of financial statements in Finland give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole;
- the management report includes a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face and that the sustainability report within management report is prepared in accordance with sustainability reporting standards referred to in Chapter 7 of the Accounting Act and with the Article 8 of Taxonomy Regulation.

Espoo, March 13, 2025

Robert Ingman
Chairman of the Board

Matti Huttunen
Member of the Board

Päivi Lindqvist
Member of the Board

Mikko Tepponen
Member of the Board

Sonja Sarasvuo
Member of the Board

Tomi Ristimäki
Member of the Board

Juha Näkki
CEO

Auditor's Report

This document is an English translation of the Finnish auditor's report. Only the Finnish version of the report is legally binding.

To the Annual General Meeting of Etteplan Oyj

Report on the Audit of the Financial Statements

OPINION

We have audited the financial statements of Etteplan Oyj (business identity code 0545456-2) for the year ended 31 December, 2024. The financial statements comprise the consolidated balance sheet, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including material accounting policy information, as well as the parent company's balance sheet, income statement, 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 Board of Directors.

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 10 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.

Materiality

The scope of our audit was influenced by our application of materiality. The materiality is determined based on our professional judgement and is used to determine the nature, timing and extent of our audit procedures and to evaluate the effect of identified misstatements on the financial statements as a whole. The level of materiality we set is based on our assessment of the magnitude of misstatements that, individually or in aggregate, could reasonably be expected to have influence on the economic decisions of the users of the financial statements. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for qualitative reasons for the users of the financial statements.

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. The significant risks of material misstatement referred to in the EU Regulation No 537/2014 point (c) of Article 10(2) are included in the description of key audit matters below.

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.

The key audit matter

How the matter was addressed in the audit

Valuation of goodwill – Accounting Policies and Note 17 to the Consolidated Financial Statements

- Goodwill, totaling EUR 117.4 million, has increased by EUR 7.7 million during the financial period as a result of acquisitions, and is a significant individual item in the consolidated balance sheet.
 - Goodwill is tested for impairment when indicators of impairment exist, or at least annually. Goodwill impairment testing is conducted by comparing the carrying value with the recoverable amount using a discounted cash flow model. Estimating future cash flows underlying the impairment tests involves a significant element of management judgment, particularly in respect of growth in net sales, profitability and discount rates.
 - Valuation of goodwill is considered a key audit matter due to the significant carrying value and high level of management judgement involved.
- We critically analyzed the management's assumptions that form the basis on which the cash flow projections for future years are prepared.
 - We assessed the appropriateness of the discount rate used and the technical integrity of calculations as well as for comparison of the assumptions used to the market and industry-specific data.
 - In addition, we assessed the adequacy of the sensitivity analyses and the appropriate presentation of notes related to impairment tests in the consolidated financial statements.

The key audit matter

How the matter was addressed in the audit

Revenue Recognition – Accounting Policies and Note 4 to the Consolidated Financial Statements

- Revenue recognition consists mainly of revenue from rendering of services. Total revenue amounted to EUR 361.0 million.
 - Revenue recognition is a key audit matter due to the significance of revenue when assessing the size of business, growth and profitability of Etteplan. Revenue recognition involves a risk of revenue being recognized in the incorrect period and at inaccurate amount due to related management estimates and large volumes of transaction data.
 - For projects, where either a fixed price or a target price has been determined, revenue is recognized over time based on the percentage of completion method. The percentage of completion is determined as the proportion of actual costs to the total estimated project costs. Inaccurate cost estimates lead to erroneous revenue recognition.
- We evaluated the company's revenue recognition and accounting policies by reference to the principles of revenue recognition determined under IFRS.
 - We tested the effectiveness of key internal controls in place over the completeness and accuracy of revenue. We also assessed the operative effectiveness of relevant IT systems for financial reporting purposes.
 - We compared total revenue estimates to customer contracts for projects where revenue is recognized over time based on the project's percentage of completion. In addition, we analyzed working hours recorded for work in progress projects in comparison to total hours estimated by the management. We also considered the appropriateness of the process for updating estimated project costs and percentages of completion.
 - In addition, we performed substantive audit procedures to evaluate the completeness and accuracy of revenue recorded and assessed the effect of other events which require management judgment.

We have not identified key audit matters relating to the parent company's financial statements.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing 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 Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit 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 were first appointed as auditors by the Annual General Meeting on April 4, 2017, and our appointment represents a total period of uninterrupted engagement of 8 years.

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Report, but does not include the financial statements 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.

Helsinki, 13 March 2025

KPMG OY AB

KIM JÄRVI

Authorised Public Accountant, KHT

Assurance Report on the Sustainability Report

This document is an English translation of the Finnish Assurance Report on the Sustainability Statement. Only the Finnish version of the report is legally binding.

To the Annual General Meeting of Etteplan Oyj

We have performed a limited assurance engagement on the group sustainability statement of Etteplan Oyj (business identity code 0545456-2) 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

- 1) the requirements laid down in Chapter 7 of the Accounting Act and the sustainability reporting standards (ESRS);
- 2) the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (EU Taxonomy).

Point 1 above also contains the process in which Etteplan 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 Authorized Group Sustainability Auditor* section of our report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

We draw attention to the fact that the group sustainability statement of Etteplan 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.

Authorized 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 authorized group sustainability auditor applies International Standard on Quality Management ISQM 1, which requires the authorized sustainability audit firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director of Etteplan 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 Managing Director determine is necessary to enable the preparation of a group sustainability statement that is free from material misstatement, whether due to fraud or error.

Inherent Limitations in the Preparation of a Sustainability Statement

Preparation of the sustainability statement requires company to make materiality assessment to identify relevant matters to report. This includes significant management judgement and choices. It is also characteristic to the sustainability reporting that reporting of this kind of information includes estimates and assumptions as well as measurement and estimation uncertainty. Furthermore, when reporting forward looking information company has to disclose assumptions related to potential future events and describe company's possible future actions in relation to these events. Actual outcome may differ as forecasted events do not always occur as expected.

Responsibilities of the Authorized 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 scepticism throughout the engagement. We also:

- Identify and assess the risks of material misstatement of the group sustainability statement, whether due to fraud or error, and obtain an understanding of internal control relevant to the engagement in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Design and perform assurance procedures responsive to those risks to obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Description of the Procedures That Have Been Performed

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. The nature, timing and extent of assurance procedures selected depend on professional judgment, including the assessment of risks of material misstatement, whether due to fraud or error. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our procedures included for ex. the following:

- We interviewed company's management and persons responsible for the preparation and gathering of the sustainability information.
- We familiarized with interviews to the key processes related to collecting and consolidating the sustainability information.

- We got acquainted with the relevant guidance and policies related to the sustainability information disclosed in the sustainability statement.
- We acquainted ourselves to the background documentation and other records prepared by the company, as appropriate and assessed how they support the information included in the sustainability statement.
- In relation to the double materiality assessment process, we interviewed persons responsible for the process and familiarized ourselves with the process description prepared of the double materiality assessment and other documentation and background materials.
- In relation to the EU taxonomy information, we interviewed the management of the company and persons with key roles in reporting taxonomy information to understand how taxonomy eligible and taxonomy aligned activities have been identified, we obtained evidence supporting the interviews and reconciled the reported EU taxonomy information to supporting documents and to the bookkeeping, as applicable.
- We assessed the application of the ESRS sustainability reporting standards reporting principles in the presentation of the sustainability information.

Helsinki 13 March 2025

KPMG OY AB

Authorized Sustainability Audit Firm

KIM JÄRVI

Authorized Sustainability Auditor, KRT

Investor information

Etteplan's shares are listed in Nasdaq Helsinki Ltd's Mid Cap market capitalization group in the Industrials sector under the ETTE ticker. The company has one series of shares. All shares confer an equal right to a dividend and the company's funds.

ETTEPLAN'S INVESTOR RELATIONS PRINCIPLES

According to the Disclosure Policy approved by Etteplan's Board of Directors, Etteplan is committed to active and open communication with all parties, regardless of whether the information in question is positive or negative for the Company. The Company's communications are transparent, credible, proactive and consistent under all circumstances. The principle is to be open, truthful and quick in all communications. The aim is to provide truthful, sufficient and up-to-date information on the Company's strategy, businesses, markets and financial situation to provide the capital markets with relevant information on Etteplan as an investment. Etteplan's Disclosure Policy is available on the Company's website at www.etteplan.com.

Investor relations are always part of the Company's other communications. Investor relations are based on the same core messages and values as the Company's other operations and communications. In all of its communications, Etteplan emphasizes consistency and a high standard of ethics and complies with the guidelines and regulations concerning listed companies.

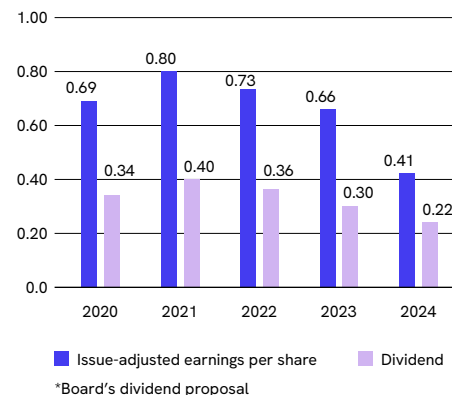
A STABLE DIVIDEND PAYER

Etteplan's aim is to increase shareholder value and to be a stable dividend payer. The targets of Etteplan Oyj's dividend policy, resolved by Etteplan's Board of Directors, are:

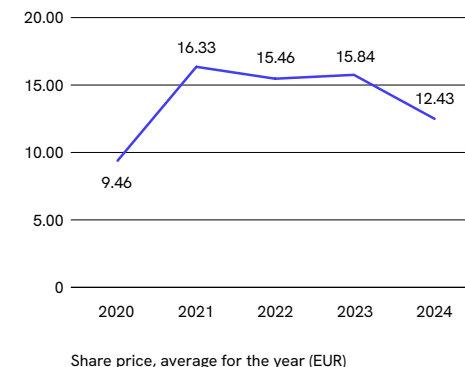
- Etteplan aims to pay an increasing dividend, taking into account the company's strong growth strategy
- A dividend of 35-60% of earnings per share
- Dividend payout once a year

The Annual General Meeting 2024 resolved, in accordance with the proposal of the Board of Directors, to pay a dividend of EUR 0.30 per share for the financial year 2023. The remaining funds were left to the unrestricted equity. The dividend was paid to shareholders registered on the record date in the Company's shareholders' register maintained by Euroclear Finland Ltd. The record date of the payment of dividend was April 11, 2024 and the dividend was paid on April 18, 2024.

EARNINGS PER SHARE AND DIVIDEND



SHARE PRICE DEVELOPMENT 2020-2024



The Board of Directors proposes to the Annual General Meeting of April 8, 2025, that a dividend of EUR 0.22 per share be paid for the financial year 2024. If the Annual General Meeting approves the Board's proposal on the payment of dividend, the dividend shall be paid to the shareholders registered on the record date of the payment of dividend, April 10, 2025, in the shareholders' register maintained by Euroclear Finland Ltd. The dividend payment date proposed by the Board of Directors is April 17, 2025.

OUTLOOK

Etteplan may issue estimates of its market outlook and the development of the Company's revenue and result in its Financial Statement Review, Half Year Financial Report and Interim Reports. Outlook statements are approved by Etteplan's Board of Directors. Etteplan does not publish quarterly forecasts. Future outlook statements and result estimates may be numerical or verbal and they may concern the development of revenue, the result, the balance sheet or cash flow. The estimates published by the Company are based on the views of future development at the time of publication and they are generally issued for the current financial year.

PERIODIC FLUCTUATION

Etteplan's business is subject to periodic fluctuation due to the number of working days, holiday seasons and the timing of product development and investment projects in customer companies, which mainly take place in the spring and the latter part of the year. The revenue in the third quarter is typically lower than that of other quarters. Only the key figures in the Financial Statements for the entire year provide an appropriate description of the Company's financial situation.

SILENT PERIOD

Etteplan observes a silent period of 30 days prior to the announcement of financial results. During this period, the Company's representatives do not meet or otherwise make contact with shareholders, investors, analysts, other market participants or the financial media. The Company's representatives do not comment on financial development, the market situation or the future outlook during the silent period. At other times, we are pleased to respond to inquiries and arrange meetings.

IMPORTANT DATES IN 2025

Annual General Meeting and dividend

Record date for participation in the Annual General Meeting: March 27, 2025
Deadline for registration for the Annual General Meeting: April 3, 2025 at 10 a.m.
Annual General Meeting 2025: Tuesday, April 8, 2025 at 11 a.m.
Record date for the payment of dividend: April 10, 2025
Dividend payment date: April 17, 2025

Financial disclosures

Interim Report for January–March 2025: Monday, May 5, 2025
Half Year Financial Report for January–June 2025: Wednesday, August 6, 2025
Interim Report for January–September 2025: Wednesday, October 29, 2025

Etteplan Oyj publishes its Annual Review and other financial reports and stock exchange releases in Finnish and English. Financial reports, webcasts of the announcement of financial results and releases are made available at www.etteplan.com immediately after their publication.

ANNUAL GENERAL MEETING

Etteplan Oyj's Annual General Meeting will be held on Tuesday, April 8, 2025, starting at 11 a.m. in Espoo,

Finland at Innopoli 1 (Leonardo auditorium), Tekniikantie 12, 02150 Espoo. The invitation to the General Meeting of shareholders shall be published according to Etteplan Oyj's Articles of Association on the Company website at www.etteplan.com.

Right to attend

Every shareholder who, on March 27, 2025, is registered as a shareholder on the list of shareholders maintained by Euroclear Finland Ltd has the right to participate in the Annual General Meeting 2025.

Notification of attendees

To be able to participate in the Annual General Meeting, the shareholder must register for this no later than 10 a.m. on April 3, 2025 either by e-mail to registration@etteplan.com or by telephone at +358 10 307 3222. Shareholders may also register by sending a registration letter to Etteplan Oyj, Yhtiökokous 2025, Tekniikantie 4, 02150 Espoo, Finland. The letter must arrive before the registration deadline. Any proxy documents, identified and dated, must be delivered to the Company for inspection to the address mentioned above prior to the expiry of the registration period.

SHAREHOLDER REGISTER INFORMATION

Shareholders should notify the bank, brokerage firm or other account operator with which they have a bookentry securities account about changes in address or account numbers for the payment of dividends and other matters related to their holdings in the share.

ANALYSTS FOLLOWING ETTEPLAN

Evli Bank Plc, Atte Jortikka, tel. +358 400 543 725
Inderes Oy, Juha Kinnunen, tel. +358 40 778 1368
Carnegie Investment Bank AB, Robin Nyberg, tel. +358 9 6187 1237

Upon request, the Company will review analyses or reports compiled by an analyst for factual errors, insofar as the reports and analyses are based on materials released by the Company. Etteplan does not comment on or take any responsibility for estimates or forecasts published by capital market representatives.

INVESTOR RELATIONS CONTACTS

Juha Näkki, President and CEO, tel. +358 10 307 2077
Helena Kukkonen, CFO, tel. +358 10 307 2003
Outi Torniainen, Senior Vice President, Communications and Marketing, tel. +358 10 307 3302

Corporate Governance

Corporate governance statement 2024

This corporate governance statement has been prepared in accordance with the Finnish Corporate Governance Code 2025. The corporate governance statement has been prepared as a part of the annual report and it is also been published simultaneously with the Company's financial statements and the annual report. Etteplan Oyj's Board of Directors and its Audit Committee have reviewed this corporate governance statement. Etteplan Oyj's external auditor, KPMG Oy Ab, has checked that this statement has been issued and that the description of the main features of the internal control and risk management systems pertaining to the financial reporting process is consistent with Etteplan Oyj's financial statements.

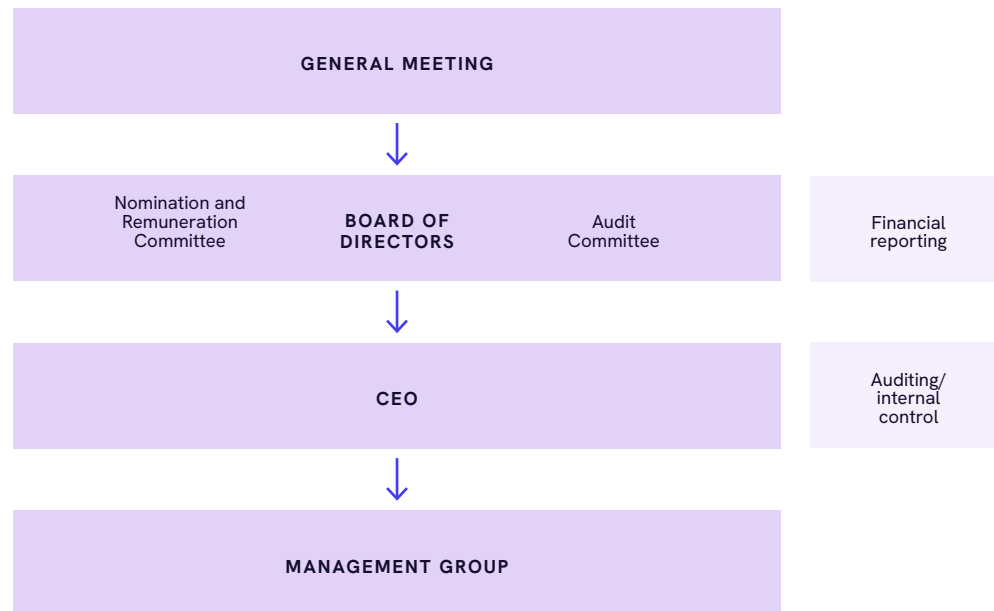
General governance principles

Etteplan Oyj is a Finnish public limited company that in its decision-making and governance complies with the Finnish Companies Act, the Securities Market Act, other legislation concerning publicly listed companies, and the Articles of Association of Etteplan Oyj.

The Company is a publicly listed company that abides by the regulations of Nasdaq Helsinki Ltd. Etteplan complies with the Finnish Corporate Governance Code 2025 published by the Securities Market Association. Etteplan does not deviate from any single recommendation of the Code. The Finnish Corporate Governance Code is available on the Securities Market Association's website www.cgfinland.fi.

Supervision and management of the Company is divided among the General Meeting of Shareholders, the Board of Directors, and the CEO. The CEO is assisted by the Management Group in the operative management of the Company and in coordinating its operations. The Management Group members are not members of the Board of Directors.

ADMINISTRATIVE BODIES OF ETTEPLAN OYJ



GENERAL MEETING

The shareholders exercise their decision-making power at the General Meeting which is the highest decision-making body in the Company. Each Company share entitles the holder to one vote at a General Meeting. The Company must hold one General Meeting for shareholders annually, by the end of June. An Extraordinary General Meeting will be held, if the Board of Directors deems it necessary or if it is requested in writing by a Company auditor or shareholders holding a minimum of 10 percent of the Company's shares, for the purpose of discussing a specific issue. A shareholder may exercise his/her right to speak, ask questions and vote at the General Meeting. The matters to be considered at the Annual General Meeting are specified in section 8 of Etteplan's Articles of Association and in Chapter 5, Section 3 of the Companies Act.

Resolutions made by the General Meeting are published without delay after the meeting by a stock exchange release and on the Company's website www.etteplan.com.

Information on General Meetings to Shareholders

The Board of Directors shall convene the Annual General Meeting or an Extraordinary General Meeting with a notice to be published on the Company's website www.etteplan.com. The notice must list the matters to be considered at the meeting. The Board may also decide to publish the invitation to the General Meeting in one Finnish national newspaper, determined by the Board. The notice to a meeting and the Board of Directors' proposals for the meeting are also published as a stock exchange release.

The notice of the General Meeting includes a proposal for the agenda of the meeting. The notice to the General Meeting, documents to be submitted to the General Meeting and draft resolutions to the General Meeting will be available on the Company's website www.etteplan.com at the earliest two months and at the latest three weeks before the General Meeting.

The Company will disclose on its website the date by which a shareholder shall notify the Board of Directors of the Company of an issue that he/she demands to be included in the agenda of the Annual General Meeting.

The minutes of the General Meeting shall be posted on the Company's website within two weeks of the General Meeting. The documents related to the General Meeting shall be available on the Company's website at least for five years after the General Meeting.

Organization of the General Meeting

According to the Company's Articles of Association the General Meeting shall be held in the Company's domicile or in Vantaa or Helsinki as decided by the Board of Directors of the Company.

To be able to participate in the General Meeting, a shareholder must be registered on the record date in Etteplan Oyj's shareholder register, maintained by Euroclear Finland Ltd. A nominee registered shareholder who intends to take part in the General Meeting is advised to request the necessary instructions regarding entry in the Company's shareholder register and the issuing of proxy documents from their account holder. A notification by a holder of nominee registered shares for temporary inclusion in the Company's shareholders' register is perceived as prior notice of participation in the General Meeting.

Shareholders must register for a General Meeting in advance, within the time period prescribed in the notice. A shareholder may participate in a General Meeting personally or through a duly authorized proxy. The proxy must present a power of attorney form for such authorization. Upon registration for a General Meeting, the shareholder must report to the Company any powers of attorney issued. The shareholder and proxy may have an assistant present at the meeting.

Attendance of the Board of Directors, Managing Director, and Auditor at the General Meeting

The Chairman of the Board of Directors and the members of the Board and its Committees as well as the CEO shall attend the General Meeting. In addition, the Auditor shall be present at the Annual General Meeting.

Attendance of a prospective Director at a General Meeting

A person proposed for the first time as Director shall participate in the General Meeting that decides on his/her election, unless there are well-founded reasons for absence.

BOARD

The Board of Directors is responsible for the Company's management and for the due organization of the Company's operations in accordance with the relevant legislation and the Company's Articles of Association. The Board of Directors controls and monitors the Company's operational management, appoints and dismisses the CEO, and approves the major decisions affecting the Company's strategy, capital expenditures, organization, remuneration and bonus systems covering the management, and finances. The Board of Directors also approves the principles of risk management and ensures the proper operation of supervision of the management system.

Charter of the Board

As part of the Company's corporate governance, the Board of Directors has approved a written charter to control Board work. The Board's charter complements the stipulations of the Finnish Companies Act and the Articles of Association of the Company. The charter of the Board is presented on the Company's website www.etteplan.com.

Composition of the Board

The Annual General Meeting elects the members of the Board of Directors. The Nomination and Remuneration Committee of the Board of Directors of Etteplan Oyj prepares a list of proposed members of the Board of Directors for consideration of the Annual General Meeting. The Board proposed candidates are reported upon in the notice to the meeting and on the Company's website.

According to the Articles of Association, the Board of Directors shall have a minimum of three and a maximum of seven members. The Annual General Meeting shall elect the Board of Directors for a term of one year at a time.

Etteplan Oyj Board of Directors appointed by the Annual General Meeting held on April 9, 2024 according to the proposal of the Nomination and Remuneration Committee

	Born	Gender	Education	Occupation	Member since	Shareholding (31 Dec 2024)
Robert Ingman, chairman	1961	male	M.Sc. (Eng.), M.Sc. (Economics)	- Managing director, Ingman Group Oy Ab - member of the Nomination ja Remuneration Committee - independent of the company	2009	16,730,000 shares
Matti Huttunen	1967	male	B. Sc. (Eng.), EMBA studies	- Managing Director, Operations EV Uusikaupunki, Valmet Automotive EV Power Oy - chairman of the Nomination ja Remuneration Committee - independent of the company and of significant shareholders	2015	no ownership
Päivi Lindqvist	1970	female	M. Sc. (Economics), MBA	- CFO, Glaston Oyj - chairman of the Audit Committee - independent of the company and of significant shareholders	2020	1,000 shares
Tomi Ristimäki	1975	male	M. Sc. (Technology), Electrical Engineering	- CEO and President, Kempower Oyj - member of the Audit Committee - independent of the company and of significant shareholders	2023	no ownership
Leena Saarinen (Board member until April 9, 2024)	1960	female	M.Sc. (Food Technology)	- Professional board member - member of the Audit Committee - independent of the company and of significant shareholders	2013	1,138 shares
Sonja Sarasvuo	1994	female	D.Sc. (Economics and Business Administration), marketing	- Post-doctoral researcher, teacher, Hanken School of Economics, Department of Marketing, CERS Centre of Relationship Marketing and Service Management - member of the Audit Committee - independent of the company	2023	no ownership
Mikko Tepponen	1979	male	M.Sc. (Technology)	- Chief Digital Officer and Chief Operations Officer, FLSmidth A/S - member of the Audit Committee - independent of the company and of significant shareholders	2017	no ownership

The ownerships are listed as per December 31, 2024 and include shares possibly owned by controlled entities.

The Board of Directors of Etteplan Oyj elected on April 9, 2024 in its organization meeting subsequent to the Annual General Meeting Robert Ingman as Chairman of the Board.

Further information on the Board members is available on the Company's website www.etteplan.com.

Meetings of the Board

The Board of Directors meets as often as appropriate fulfilment of its obligations requires. In the financial period 2024, the Board held a total of 13 meetings three of which were e-mail meetings and two Teams meetings. The average attendance rate of Board members was 97 percent. In addition to the members of the Board, the Company's CFO as the Secretary to the Board and the CEO attended Board meetings.

Independence of the Board

The majority of the members of the Board shall be independent of the Company. In addition, at least two of the members of the Board representing this majority shall also be independent of significant shareholders of the Company.

The Board shall evaluate annually the independence of its members and report which of them are independent of the Company and which are independent of significant shareholders.

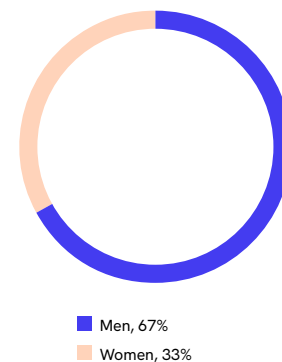
Robert Ingman, Matti Huttunen, Päivi Lindqvist, Tomi Ristimäki, Leena Saarinen (Board member until April 9, 2024), Sonja Sarasvuo and Mikko Tepponen are independent of the Company.

Matti Huttunen, Päivi Lindqvist, Tomi Ristimäki, Leena Saarinen (Board member until April 9, 2024) and Mikko Tepponen are independent of significant shareholders. Robert Ingman and Sonja Sarasvuo are not independent of the Company's significant shareholders due to their holdings in related parties.

Diversity of the Board

The Board of Directors of Etteplan has defined the principles on the diversity of the Board in compliance with the Corporate Governance Code 2025.

GENDER DISTRIBUTION OF THE BOARD OF DIRECTORS IN THE FINANCIAL PERIOD 2024



The Board of Directors recognizes the benefits of a diverse and broad-ranging Board composition to the Company and its shareholders. The successful performance of the duties of the Board and its Committees requires diverse composition, know-how and experience. The diversity must support the current development stage of the Company and meet the future development needs of the Company's operations and business. The principles supporting the diversity of the Board of Directors are e.g. knowledge of the Company's industry, sufficient, diverse, and complementary experience as well as comprehensive experience in different areas of the business of the Board members. The nomination and Remuneration Committee of the Board takes the diversity principles into account when making the proposal on the composition of the Board to the Annual General Meeting each year.

When composing the Board of Directors the objective is that the Board consist of a sufficient number of members who have complementary competence profiles. A member of the Board must possess the competence and the educational background required by the task and the possibility to allocate sufficient time required for the task. The composition of the Board aims to ensure that it has extensive know-how on the essential strategic focus areas of the Company now and in the future. The diversity of the Board of Directors includes that both genders are equally represented. This aims, for its part, to ensure that different perspectives are considered in the Board's work and decision-making. In the financial period 2024 Etteplan's Board consisted of 7 members until the Annual General Meeting held on April 9, 2024. Of these members 57.15 percent were men (4) and 42.85 percent were women (3). After the 2024 Annual General meeting the Board comprises 6 members of which 66.67 percent are men (4) and 33.33 percent are women (2).

The diversity principles defined by the Board of Directors were well fulfilled in the financial period 2024. The Company will continue to execute the principles in the financial period 2025.

Performance evaluation of the Board

On an annual basis, the Board of Directors assesses its own activities and work practices. The Board specifies the criteria to be used in the assessment, which is carried out as internal self-evaluation. The results of these activities are handled by the Board.

Remuneration of the Board

Further information on the remuneration of the Board of Directors in the financial period 2024 is available in the separate Remuneration Report for Governing Bodies 2024 published by the Company and on the Company's website www.etteplan.com. The Remuneration Report of Governing Bodies will be presented annually to the Annual General Meeting.

Board of Directors



From the top left: Robert Ingman, Matti Huttunen, Päivi Lindqvist, Tomi Ristimäki, Leena Saarinen (Board member until April 9, 2024), Sonja Sarasvuo, Mikko Tepponen

BOARD COMMITTEES

The Board of Directors will decide, when needed, on the establishment of committees to assist the Board in preparing and handling matters falling within its competence. The committees are not decision-making or executive bodies, but assist the Board in the decision-making falling under the scope of each committee.

The Board of Directors of Etteplan Oyj has an Audit Committee and a Nomination and Remuneration Committee.

Audit Committee

The Board of Directors of Etteplan Oyj has appointed an Audit Committee among the Directors. The Board has confirmed the central duties and operating principles of the Committee in a written charter. The charter of the Committee is presented on the Company's website www.etteplan.com. The Chairman of the Audit Committee reports on each Committee meeting to the Board of Directors.

The task of the Audit Committee is to assist the Board of Directors in ensuring that the Company's financial reporting and accounting principles as well as the financial statements and other financial information given by the Company comply with laws and regulations and are transparent, explicit and clear. The duties of the Audit Committee are, inter alia, monitoring the Group's financial and financing situation, the Group companies' financial statements and consolidated financial statements reporting process, the efficiency of the Company's internal control, internal audit and risk management systems as well as the statutory audit of the Company's financial statements and consolidated financial statements. The Committee further supervises the Company's financial reporting process and assesses the independence of the auditor and the non-audit services provided by the auditor and that the Company complies with laws and regulations. The Audit Committee reviews the description of the main features of the internal control and risk management systems pertaining to the financial reporting process included in the Corporate Governance Statement of the Company and prepares the resolution proposal relating to the election of the auditor. In addition, the Audit Committee monitors the CSRD reporting process and reviews the sustainability statement annually. The Board of Directors may also allocate other duties to the Committee.

The Committee consists of three to four members of the Board of Directors. It convenes on a regular basis at least four times a year before the Company's interim or half year financial reports and financial statements are published. The Committee Chairman provides the Board with the proposals made by the Committee.

The Company auditor attends the Audit Committee meetings and the Company CFO acts as the Secretary to the Committee. In addition, the Company CEO attends the committee meetings.

Since the Annual General Meeting of 2023, Päivi Lindqvist has acted as the Chairman of the Audit Committee and Tomi Ristimäki, and Sonja Sarasvuo as members of the Committee. All members of the Committee are independent of the Company. Leena Saarinen acted as a member of the Audit Committee until the Annual General Meeting of 2024.

In the financial period 2024, the Audit Committee held a total of five meetings, all meetings were Teams meetings. The average attendance rate of Committee members was 100 percent.

Nomination and Remuneration Committee

The Board of Directors of Etteplan Oyj has appointed a Nomination and Remuneration Committee among the Directors. The Board has confirmed the central duties and operating principles of the Committee in a written charter. The charter of the Committee is presented on the Company's website www.etteplan.com. The Chairman of the Nomination and Remuneration Committee reports regularly on its work to the Board of Directors.

The task of the Nomination and Remuneration Committee is to assist the Board of Directors in matters related to the appointment and compensation of the Company's CEO and Management Group. In addition, the Committee prepares for the Annual General Meeting a proposal on the number of Board members, Board composition and Board member compensation. The Committee also recommends, prepares and proposes to the Board the CEO's and the deputy CEO's nomination, salary and compensation, and further evaluates and provides the Board and the CEO with recommendations concerning management and employees rewards and compensation systems. In addition, the Nomination and Remuneration Committee prepares the remuneration policy and remuneration report for the Company's governing bodies.

The Committee consists of three members of the Board of Directors. It convenes on a regular basis at least once a year. The Committee Chairman provides the Board with the proposals made by the Committee.

Since the Annual General Meeting of 2024, Matti Huttunen has acted as the Chairman of the Nomination and Remuneration Committee and Robert Ingman and Mikko Tepponen as members of the Committee. All members of the Committee are independent of the Company.

In the financial period 2024, the Nomination and Remuneration Committee held a total of five meetings, all meetings were Teams meeting. The average attendance rate of Committee members was 100 percent.

The attendance of Board and Committee members at meetings in 2024

	Board of Directors	Audit Committee	Nomination and Remuneration Committee
Robert Ingman	13/13		5/5
Matti Huttunen	13/13		5/5
Päivi Lindqvist	12/13	5/5	
Tomi Ristimäki	12/13	5/5	
Leena Saarinen	3/3	1/1	
Sonja Sarasvuo	13/13	5/5	
Mikko Tepponen	13/13		5/5

Leena Saarinen acted as a Member of the Board of Directors and the Audit Committee until the Annual General Meeting held on April 9, 2024.

CEO

M. Sc. (Eng) Juha Näkki has been the Company's President and CEO from the beginning of 2012. The CEO is responsible for managing the Group's day-to-day operations in accordance with the rules and instructions issued by the Board of Directors. The CEO may take measures that are unusual and far-reaching with regard to the scope and nature of the Company's operations, but only with authorization from the Board of Directors. The CEO is responsible for ensuring that the Company's accounting complies with the applicable legislation and that its asset management is arranged in a reliable manner. The CEO attends the Board meetings, but he is not a member of the Board of Directors. The CEO also participates in the work of Board Committees.

A written CEO agreement, approved by the Board, has been drawn up for the CEO. The Board of Directors appoints the CEO and terminates this employment as well as monitors the CEO's activities.

Further information on CEO Juha Näkki is available on the Company's website www.etteplan.com.

Further information on the remuneration of the CEO in the financial period 2024 is available in the separate Remuneration Report for Governing Bodies 2024 published by the Company on the Company's website www.etteplan.com. The Remuneration Report for Governing Bodies will be presented annually to the Annual General Meeting.

MANAGEMENT GROUP

The CEO appoints members to the Management Group who are appropriate from the standpoint of line operations. The Management Group assists the CEO and also develops and monitors all matters entrusted to the Company's management, including those connected with the Group and business unit strategies, acquisitions, and major capital expenditures, divestments, the Company's image, monthly reporting, interim and half year financial reports and financial statements, corporate responsibility, investor relations, and the main principles of the human resource policy. The Board of Directors approves the appointment of the Management Group members. The members of the Management Group report to the President and CEO.

Etteplan Oyj's Management Group in the financial year 2024

	Occupation	Born	Gender	Education	Member since	Shareholding (31 Dec 2024)
Juha Näkki	President and CEO, Chairman of the Management Group	1973	male	M.Sc. (Eng.)	2008	107,739 shares
Helena Kukkonen	CFO	1972	female	M.Sc. (Econ And Bus Admin)	2021	2,956 shares
Jukka Lahtinen	Senior Vice President, Global Sales	1963	male	B.Sc. (Eng.)	2019	7,955 shares
Tero Leppänen	Senior Vice President, Software and Embedded Solutions	1974	male	M.Sc. (Computer Science), B.Sc. (Electronics and Information Technology)	2022	2,446 shares
Riku Riikonen	Senior Vice President, Engineering Solutions	1977	male	M.Sc. (Eng.)	2015	2,353 shares
Eric Tengstrand	Senior Vice President, Solutions & Technologies	1981	male	M.Sc. (Ergonomic Design & Product Engineering)	2024	1,467 shares
Outi Torniainen	Senior Vice President, Marketing and Communications	1965	female	B.Sc. (Communications)	2016	8,563 shares
Minna Tornikoski	Senior Vice President, HR	1970	female	M.Sc. (Industrial Engineering & Management)	2019	4,549 shares
Mikael Vatn	Senior Vice President, Technical Communication Solutions	1967	male	B.Sc. (Eng.), MBA	2012	7,856 shares

The ownerships are listed as per December 31, 2024 and include shares possibly owned by controlled entities.

Further information on the Management Group members is available on the Company's website

www.etteplan.com.

Further information on the remuneration of the Management Group in the financial period 2024 is available on the Company's website www.etteplan.com.

Management group



From the top left: Juha Näkki,
Helena Kukkonen, Jukka Lahtinen,
Tero Leppänen, Riku Riikonen,
Eric Tengstrand, Outi Torniainen,
Minna Tornikoski, Mikael Vatn

INTERNAL CONTROL, RISK MANAGEMENT AND INTERNAL AUDIT

The objective of Etteplan Oyj's internal control and risk management is to ensure that the Company's operations are efficient and profitable, its information is reliable, and it complies with appropriate regulations and operating principles. The objectives also include identification, assessment, and monitoring of risks related to business operations.

Operating principles of internal control

Etteplan's internal control process is controlled by the Finnish Companies Act, the Securities Markets Act, and other laws and regulations applicable to the operations of the Company, the rules and recommendations of Nasdaq Helsinki Ltd. as well as the Corporate Governance Code for Finnish listed companies. External control is implemented by the Company's auditors and the authorities.

Internal control in Etteplan covers financial reporting and other monitoring. The function of internal control is to ensure that the Company achieves the goals and objectives set for it as well as uses its resources economically and appropriately. Internal control also aims to ensure, among other things, correct and reliable financial and other information, compliance with external regulations and internal guidelines and policies as well as sufficient security of operations and information. Furthermore, internal control aims to ensure the organization of adequate and appropriate IT and manual systems to support the operations of the Company.

In Etteplan, internal control is executed by the Board of Directors, management, and the Company's entire personnel. Internal control is divided into 1) proactive control, 2) day-to-day control, and 3) subsequent control. Proactive control consists of specification of corporate values and general operational principles. Day-to-day control includes operational steering and monitoring and thereto related operational systems and work instructions. Subsequent control comprises management evaluations and inspections, comparisons, and verifications with the aim of ensuring that the goals are met and the agreed operational principles are followed.

Organization of risk management

Risk management is an integral part of Etteplan's business management and internal control framework. The function of risk management is to anticipate future risks, to ensure that targets are reached and to secure

operations in changing conditions. The objective is to ensure that the Company's operations are efficient and profitable, that the information produced is reliable, and that the Company complies with the appropriate regulations and operating principles.

The key measures of Etteplan's risk management are comprehensive risk identification, focusing on the biggest risks and ways to manage them, securing the continuity of business operations, limiting adverse business impacts, and utilizing opportunities. Etteplan's risk management consists of coordinated measures aiming to identify, evaluate, manage and control all major risk areas of the Group in a systematic and proactive manner.

Etteplan's risk management process is led by the Group President and CEO together with the Management Group member responsible for risk management. The Management Group monitors the significant risks of the business units and supervises the development of the Group's risk management system and practices.

The business managers have the primary responsibility for risk management. Managers are responsible for risk management in their business areas in compliance with the Group's risk management guidelines.

Managers report on the major risks of their business area to the Management Group as part of the monthly business reporting. The Group's financial administration monitors and assesses operational and financial risks and takes measures to hedge against them in cooperation with the Board of Directors, the Management Group, and operative management.

The Board of Directors supervises risk management and approves the risk management guidelines of the Group. Risk management actions and the most relevant Group level risks are reported to the Board of Directors and its Audit Committee.

Risks and risk management are presented on the Company's website www.etteplan.com and as part of this report. Reviews concerning financing risks are presented in the notes to the consolidated financial statements as a part of the Financial Report 2024.

ETTEPLAN'S RISK MANAGEMENT



Internal audit

Etteplan Group does not have separate internal audit function. The Board can engage external advisors to perform evaluations relating to control environment or other activities.

Description of the main features of the internal control and risk management systems pertaining to the financial reporting process

Etteplan prepares consolidated financial statements and interim and half year financial reports in accordance with the International Financial Reporting Standards, as adopted by EU, the Securities Markets Acts as well as the appropriate Financial Supervision Authority Standards and Nasdaq Helsinki Ltd's rules. The Report of the Board of Directors of Etteplan and parent company financial statements are prepared in accordance with Finnish Accounting Act and the opinions and guidelines of the Finnish Accounting Board.

Etteplan Group observes Group level accounting principles and instructions, which are applied in all Group companies and according to which the Group's financial reporting is prepared. Together with reporting calendar and schedules, accounting principles and instructions form the framework for timely and correct Group reporting. Etteplan's business operations are in all material respects located in Finland, Sweden, China, the Netherlands, Poland, Germany, Denmark and the USA. All countries have local accounting and financial reporting organizations reporting to the Group using centralized ERP. Internal control and risk

management systems and practices as described in the following section are designed to ensure that the financial reports as disclosed by the Company give essentially correct information about the Company finances.

Etteplan has a common Group consolidation system to which subsidiaries report their accounting data from centralized ERP. The correctness of the data is controlled by the Group's financial administration as well as the financial organizations in the operating countries and service areas. The Group's centralized financial administration prepares consolidated and published financial reports.

Internal control over financial reporting

Proper arrangement and monitoring of internal control is the responsibility of the local management in accordance with the Group framework. Etteplan Board of Directors has approved operating principles of internal control, which have been prepared in accordance with recommendation 24 of the Finnish Corporate Governance Code. Operating principles include the main features of risk management process, summary of risks, control objectives and common control points for financial reporting as well as roles and responsibilities in executing and monitoring internal control in Etteplan.

Internal controls over financial reporting process at the country and Group level are reviewed and updated annually. Etteplan's finance organization has analysed process risks and defined control objectives for external financial reporting process. Existing control points in the process have been documented. These control points include for example reconciliations, authorizations, analysis, and segregation of key accounting duties. The work has been led by the Group CFO.

According to its annual clock, the Management Group has monthly meetings where also financial performance and financial reporting are analyzed. Prior to these meetings, financial reports have been analyzed on business group level to detect any irregularities or errors. Group level financial reports are prepared for Etteplan Audit Committee and the Board of Directors on a monthly basis. The Audit Committee reviews and the Board of Directors reviews and approves interim and half year financial reports, annual results report, and financial statements.

Etteplan does not have separate internal audit function. The Audit Committee and/or the Board of Directors can engage external advisors to perform evaluations relating to control environment or other activities.

INSIDER ADMINISTRATION

The Etteplan Oyj Board of Directors has approved insider regulations for the Company. The regulations are based on the Finnish Securities Markets Act as well as Regulation N:o 596/2104 of the European Parliament and of the Council on market abuse (MAR), and they comply with the standards of Financial Supervision and the Guidelines issued by the Nasdaq Helsinki Ltd.

In accordance with the Market Abuse regulation, Etteplan is no longer under the obligation to maintain a public insider list. However, Etteplan maintains a list of its managers and publishes stock exchange releases on the transactions the managers report to the stock exchange and the Company in compliance with the time limits and obligations defined by MAR. Due to the nature of their position, the members of the Board of Directors, the CEO, and the members of the Management Group are entered into said list of managers.

In addition, the Company maintains a permanent company specific insider list in accordance with the decision of the Board of Directors. The company specific insider list includes front-line managers for business operations, financial administration personnel, and those working for the Company on the basis of an employment or other contract who receive insider information.

A project-specific insider list is created by the decision of the Board of Directors, the CEO, or the Management Group.

The Company's insider guidelines direct insiders to restrict their trading in the Company's shares to times when the markets have as precise information as possible on the factors influencing the value of shares in the Company. Consequently, persons included in Etteplan Oyj's insider lists are always prohibited from trading with Company securities during 30 days before the publication of interim and half year financial reports and financial statement release, including the day of publication (the closed window). During other times, i.e. as of the day following the publication of interim and half year financial reports and financial statement release, there is an open window during which insiders are allowed to trade. Even then it is provided that they do not possess insider information.

The Chief Financial Officer is responsible for the maintenance of the aforementioned lists of Etteplan Oyj. The CFO is also responsible for compliance with insider regulations and fulfilment of duties to report. The

aforementioned lists are maintained by the Company's Espoo office, which updates the information that, as required by law, is entered in the lists for Euroclear Finland Ltd pertaining to insiders with the duty to declare.

REPORTING MISCONDUCT AND VIOLATIONS

Etteplan Oyj has an anonymous whistleblowing channel through which both Etteplan employees and external stakeholders can report, for example, potential ethical violations, violations against the Company's insider policy, or suspected infringements of financial markets regulations, such as MAR and the Securities Markets Act. The aim of the whistleblowing channel is to promote compliance with good governance in the Company's daily activities and prevent misconduct and violations.

The whistleblowing channel can be accessed either through the Company's public website or intranet. Reports can be made anonymously. All reports will be directed to the Company's HR director, CFO and the HR Director of the Company's Finnish operations, and, when needed, corrective measures will be taken without delay. All reports will be processed confidentially in accordance with the Personal Data Act with regard to both the informant and the person under suspicion.

RELATED PARTY TRANSACTIONS

The Company and its Board of Directors monitor and evaluate transactions between the Company and its related parties. The Company has defined principles and processes for identifying the Company's related parties and the transactions to be carried out with them as well as for evaluating and reporting the nature and terms of such transactions.

In order to identify its related party transactions, the Company keeps record of the persons that are its related parties. The record includes such persons that have control, joint control or significant influence over the Group. Also, the Group's key management personnel is included in the related party. Key management personnel refers to persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group. Spouses, wards and companies in control or joint control of the before mentioned persons are considered as other related parties. The ultimate controlling party, Ingman Group Oy Ab, and its group companies are also included in related parties.

The Audit Committee of the Board monitors the Company's related party transactions in accordance with the Company's reporting practices. Transactions between the Company and its related parties are typically part of the ordinary course of business of the Company and are priced according to Group's normal pricing basis and sales conditions, which are equivalent to those that prevail in arm's length transactions. Related party transactions that are not part of the ordinary course of business of the Company or are not priced according to Group's normal pricing basis and sales conditions and are not implemented under arms-length terms require a decision by the Board of Directors. Board members cannot participate in deciding a related party transaction concerning themselves or their related parties in accordance with applicable laws and regulations.

In 2024, Etteplan's service purchases and sales from and to other related party companies were related to administrative cooperation between the companies.

AUDIT

The primary duty of statutory auditing is to verify that the financial statements give correct and sufficient information about the Group's profit and financial situation for the financial year. Etteplan Oyj's financial year is the calendar year. The auditor is responsible for auditing the Company's accounts and the correctness of its financial statements during the financial year, and for issuing an auditor's report to the Annual General Meeting. The auditor is also responsible for carrying out the assurance of the Company's sustainability reporting.

A summary of the Group's audit report is compiled for the Board of Directors. Also, the auditors of all Group companies report separately to the management of each company within the Group. KPMG Oy Ab will also carry out the assurance of the Company's sustainability reporting for the financial period 2024 in accordance with the transitional provision of the act changing the Limited Liability Companies Act (1252/2023). The auditor attends at least one meeting of the Board of Directors in the relevant financial year.

The Annual General Meeting elects one or two auditors to audit corporate governance and accounts. At least one of the auditors must be a firm of independent public accountants so authorized by the Central

Chamber of Commerce. The Annual General Meeting held on April 9, 2024 elected KPMG Oy Ab, a firm of authorized public accountants, with Kim Järvi acting as Chief Auditor. The auditor's term ends at the conclusion of the first Annual General Meeting after the election.

Audit fees and services not related to auditing

According to the resolution made by the Annual General Meeting 2024 the fees for the auditor are paid according to invoice approved by the Company.

The audit fees paid to KPMG companies in 2024 totalled EUR 156,188 (in 2023: EUR 147,955). In addition, EUR 16,797 was paid for mandatory assurance services. EUR 97,392 was paid to the firm for services not related to auditing (in 2023: EUR 51,717). EUR 78,677 was paid to KPMG Oy Ab for non-audit services which does not exceed the 70 percent cost limit set for non-audit services.

COMMUNICATIONS

It is Etteplan Oyj's principle to be open, truthful and quick in all communications. The primary objective of the Company's investor information is to provide truthful, sufficient, and current information on the Company's strategy, operations, markets, and financial situation in order for the capital market to have essential information on Etteplan as an investment. The goal is to give all stakeholder groups correct and uniform information in a regular and balanced manner.

Silent period

Etteplan Oyj follows a so-called silent period before publication of interim and half year financial reports and financial statement releases. The duration of the silent period is 30 days before the day of publication.

Distribution of investor information

Etteplan publishes all of its investor information on the Company's website www.etteplan.com. Financial releases will be made available immediately after publication. They will be published in Finnish and English.

Risks and risk management in 2024

A uniform group-wide risk management assessment that covers all risk categories has been conducted annually in connection with the strategy process since 2011. The focus of the assessment is particularly on monitoring changes in already identified risks, identifying new business risks, and developing proactive risk management. Etteplan complies with international risk management criteria (CAS, Casualty Actuarial Society and COSO, Committee of Sponsoring Organizations of the Treadway Commission).

The key aspects of the risk assessment include:

- comprehensive risk identification
- focusing on the biggest risks and ways to manage them
- securing the continuity of business operations
- limiting adverse business impacts
- utilizing opportunities

The most significant risks in 2024

Etteplan's most significant risks in 2024 were related to operational and strategic risks.

These risks included the changing business environment, the ability to adopt new technologies and renew offering to market needs, as well as global uncertainties, including geopolitical tensions and country-specific political risks. The realization of these risks is mitigated by deepening customer relationships and responding quickly to changing business environment and customer needs.

As in previous years, risks related to personnel remained significant, as the Company's business operations and future growth are based on highly competent personnel. The realization of these risks is mitigated by effective

human resources management, leadership development and by ensuring that Etteplan is perceived as an attractive employer among industry professionals.

Six risk categories

Risks related to Etteplan Group's business activities are classified into six categories, and risks are monitored according to this classification. Etteplan's business risks include both internal and external risks.

Risk classification:

1. Strategic risks
2. Operational risks
3. Personnel risks
4. IT security risks
5. Financial risks
6. Regulatory and legal risks

The typical risks of Etteplan's business activities on a general level are described in the following section. However, the Company's operations may also be subject to other risks. The most significant risks and uncertainties identified during the financial year are described in the Financial Statements Release, which is available online at www.etteplan.com.

Strategic risks

In the 2024 assessment, Etteplan's most significant strategic risks were related to the Company's position in the market, the competitive situation, ability to renew offering and the utilization of new technologies.

The overall level of strategic risks was slightly higher than in 2023. An economic downturn may have a negative impact on Etteplan's investments and consequently on its business and profitability. The Group seeks to reduce its vulnerability to economic cycles by maintaining a balanced customer base consisting of customers operating in different industries, markets, and geographical areas. The engineering business is characterized by intense global competition.

In 2024, we acquired a minority stake in BJIT, the largest IT consulting company in Bangladesh. This strategic investment enhances our global delivery capabilities and grants us access to a cost-efficient talent pool. While it introduces some compliance-related risks, we actively mitigate these through robust governance, stringent due diligence, and ongoing risk management practices.

Operational risks

The level of Etteplan's operational risks decreased slightly compared to the previous year. The main operational risks identified in the assessment were related to the increased global market uncertainty, country-specific political risks, and potential changes in customers' operations. Acquisitions and thereto related integration processes also constitute an operational risk to Etteplan. Etteplan has carefully prepared procedures for acquisitions and integration, which reduces the risk. Project deliveries may also involve significant risks. These risks are mitigated by training, operating in accordance with policies and guidelines, and limiting contractual liability starting from the early stages of the delivery process. Efforts are also made to limit the typical liability risks through standardized contract terms and insurance policies. Insurance does not, however, cover all liability risks.

Personnel risks

Personnel risks can slow down the Company's growth, if they materialize. The availability of competent professionals helps ensure the Company's business development, growth, and profitability. Etteplan's personnel risks were again assessed to be at a high level in 2024. According to the assessment, the most significant personnel risks continue to lie in global competition for leading technology experts, as well as the ability to attract the right competencies, foster leadership development, and promote employee engagement. Etteplan manages these risks through effective human resources management, such as regular performance and development discussions, monitoring occupational health and well-being, and following internal guidelines. The Group promotes the job satisfaction and well-being of its employees by improving Group-wide HR processes and investing in the development of its employees' competence and in the quality

of management and leadership. Human resources management and the focus areas in 2024 are described in more detail in the Annual Review.

Financial risks

Etteplan's level of financial risks increased slightly in 2024 due to increase of counterparty risks. The realization of financial risks is prevented by internal procedures and guidelines as well as internal control. Financial risks are managed in accordance with the treasury policy approved by Etteplan's Board of Directors. The aim is to hedge against significant financial risks, balance cash flow and give the business time to adapt its operations to changing conditions. Reviews of financing risks are presented in more detail in the notes to the consolidated financial statements published as part of the Financial Review 2024 at www.etteplan.com.

IT & Security risks

The major IT & Security risks were related to information and cyber security including unauthorized access to IT systems. These risks are closely monitored, as Etteplan's business depends on the undisrupted functioning of its information and communication systems. The level of risks remained unchanged at a moderate level in 2024. Etteplan prevents the realization of risks related to information security through ISO 27001 certified internal procedures and guidelines, as well as internal control. Measures that limit the effects of external influences on systems include firewalls, system monitoring, virus scanners, access rights management, and backups.

Regulatory and legal risks

The main risks were related to the EU General Data Protection Regulation, and new Human Rights Due Diligence-related risks were also identified. These risks remained at a moderate level in 2024.

In 2024, these risks remained at a moderate level and are managed by strengthening human rights perspectives in daily work, maintaining strong data protection through training, and continuously improving data protection systems integrated into the Company's processes.

Legislative developments are monitored across all areas of the company, and operations are updated as needed.

Risk category	Examples of risks	Examples of risk mitigation actions	Responsibility
Strategic risks	Risks related to business development, strategy implementation, offering, business environment, markets, globalization as well as mergers and acquisitions	Strategy and business plans, diversified customer base, offering development, compliance with M&A procedures, corporate governance, Code of Conduct and risk management policy	President and CEO, business management, development organization, finance, human resources and communications functions
Operational risks	Risks related to market changes, organization and management, sales, projects, assignments, customer relationship and financing	Deepening customer relations, ability to adapt market changes, compliance with management systems, core business processes and related policies and guidelines, the Group's insurance	Business management, sales, development organization and finance function
Personnel risks	Risks related to leadership capabilities, competence management, staff turnover, recruitment, assignments, occupational health and well-being related risks	Use of competence management system, leadership development and career model, employee surveys, internal training, induction process, compliance with Code of Conduct	Human resources function, business management, all personnel
IT security risks	Risks related to information and cyber security, unauthorized access, network and system downtime, computer viruses and customer IT connections	Taking information security into account and compliance with ISO 27001 certified processes and tools and supplier agreements	IT organization, business management, entire personnel
Financial risks	Risk related to financing of business operations, currency, interest, financing and liquidity, counterparty and credit risks	Compliance with payment and credit policies and Group treasury policy, internal controls, customer and supplier credit checks	CFO, finance function, business management
Regulatory and legal risks	Risks related to the EU General Data Protection Regulation (GDPR) and human rights	Training related to data protection, incorporating data protection into the company's processes and contracts, human rights impact assessment	President and CEO, IT Director, HR Director, Data Protection Office

Remuneration

Remuneration report for governing bodies 2024

This remuneration report for governing bodies of Etteplan Oyj (Etteplan) has been prepared and published in accordance with the Finnish Corporate Governance code 2025. The remuneration report is published annually always in connection with Etteplan's corporate governance statement, and it will be presented to the shareholders in the annual general meeting following its publication.

REMUNERATION PRINCIPLES

The remuneration of Etteplan governing bodies is based on the Remuneration Policy that was presented to the Annual General Meeting held on April 9, 2024. The Remuneration Policy is applied until the Annual General Meeting in 2028, unless the Board of Directors decides to present it to the General Meeting earlier.

Etteplan is a growth company that aims to achieve profitable growth and create value for its owners. Strong performance and achievements in both growing the Company and ensuring profitability are rewarded at Etteplan. This has generated a personnel remuneration policy that aligns with the interests of the Company and its stakeholders while engaging and motivating key personnel to act in line with shared goals.

Etteplan's main remuneration principles are 1) result-based and performance-based remuneration, 2) transparent and uniform remuneration principles and scheme, 3) competitive overall pay level and 4) increasing Company growth and value. The Company's reward strategy emphasizes performance-based remuneration for the Company's growth, success of its business operations, and engaging personnel.

The same principles are observed in the remuneration practices of the CEO. However, compared to Etteplan personnel on average, variable remuneration components, i.e. an annual performance bonus and a long-term incentive plan reward, constitute a significant share of the CEO's overall remuneration. This ensures maintaining a strong connection between the Company's financial performance and CEO remuneration. The Board of Directors decides on the structure and details of variable remuneration components annually. The annual performance bonus and long-term incentive plan reward typically constitute approximately half of the CEO's overall remuneration.

The General Meeting shall decide on the remuneration payable for Board and Committee work as well as the basis for its determination. The Nomination and Remuneration Committee has been assigned the duty of preparing the remuneration of the Board. The Board of Directors shall decide on the remuneration of the CEO as well as other compensation payable to him/her. The remuneration principles for the Management Group are determined by the CEO in cooperation with the Board of Directors.

REMUNERATION AND THE FINANCIAL DEVELOPMENT OF THE COMPANY

The development of Etteplan's business operations has been consistent and in line with the Company's strategy over the long term in recent years. However, in the financial period 2024, the long-standing growth slowed down compared to previous financial periods, and the revenue did not grow as expected. Although the company has consistently developed its service offering and operations to support growth and efficiency, the market situation was simply weak. The market situation was mainly affected by high interest rates, geopolitical uncertainty, and the delay and scarcity of customer investments.

According to the Company's Remuneration Policy the CEO's remuneration is based on result and performance, and a significant part of the remuneration is constituted by variable remuneration components. As the result targets of incentive plans are linked to the result of the Company's business operations, the CEO's remuneration varies annually depending on the result of the annual performance bonus of the previous financial period as well as the result of the long-term incentive plan and the accrual of the reward. Based on the development of the Company's business operations both short-term and long-term incentive plans can be regarded effective.

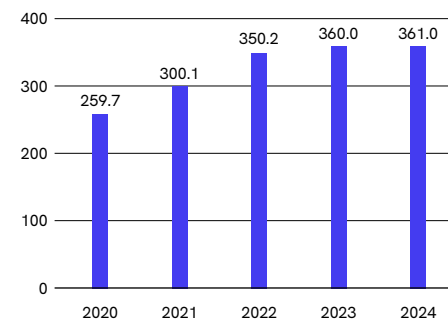
Average compensation (EUR)

	2020	2021	2022	2023	2024
Chairman of the Board	92,400	84,600	83,400	84,600	92,400
Members of the Board on average	40,080	45,600	44,550	40,900	42,500
President and CEO*	805,287	519,484	748,533	1,567,173	543,512
Average Etteplan employee**	43,548	46,210	46,876	48,068	48,993

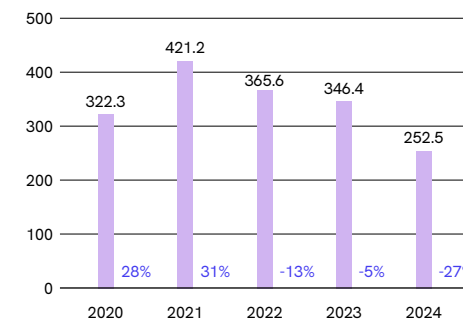
* President and CEO compensation in 2020 and 2023 include share rewards accrued in the previous three years.

** Average Etteplan employee equals personnel expenses excluding indirect employee cost divided by the average number of personnel during the year.

REVENUE, EUR MILLION

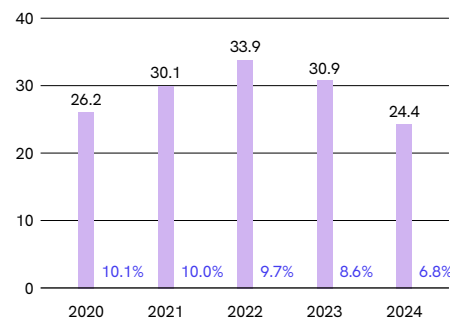


MARKET CAPITALIZATION, EUR MILLION



Market capitalization
Change in market capitalization, %

OPERATING PROFIT (EBITA), EUR MILLION



Operating profit (EBITA)
EBITA, %

REMUNERATION OF THE BOARD OF DIRECTORS IN THE FINANCIAL PERIOD OF 2024

Resolutions on the remuneration of the Board of Directors are made annually by the Annual General Meeting. According to the resolution made by the Annual General Meeting held on April 9, 2024, the annual remuneration of the Chairman of the Board is EUR 84,000 and of a member of the Board EUR 42,000. The annual remuneration is paid in cash.

According to the resolution made by the Annual General Meeting held on April 9, 2024, the remuneration for the Chairmen of the Board of Directors as well as the Audit Committee and the Nomination and Remuneration Committee is EUR 1,200 per meeting. The remuneration for each member of the Board of Directors as well as the Audit Committee and the Nomination and Remuneration Committee is EUR 600 per meeting. This attendance remuneration is paid for each meeting the Chairmen or members attend. Daily allowances and travel expenses are paid to the Board members according to the Company's travel policy.

The annual remuneration of the Board of Directors is not paid partially in shares, share-based rights, or in cash with an obligation to acquire Company shares. The members of the Board are not part of the Company's long-term incentive plan and they have not received other financial benefits during the financial period of 2024. The members of the Board do not have an employment or service contract with the Company nor do they act as advisors for the Company.

The Annual General Meeting held on April 9, 2024 re-elected Matti Huttunen, Robert Ingman, Päivi Lindqvist, Tomi Ristimäki, Sonja Sarasvuo and Mikko Tepponen to the Board of Directors. Leena Saarinen acted as a Board member and a member of the Audit Committee until the Annual General Meeting 2024.

Remuneration of the Board of Directors 2024 (EUR)

	Annual remuneration	Committee attendance remuneration	Board attendance remuneration	Total
Robert Ingman, chairman, member of the NRC	81,000	1,800	9,600	92,400
Matti Huttunen, chairman of the NRC	40,500	3,600	4,800	48,900
Päivi Lindqvist, chairman of the AC	40,500	6,000	4,800	51,300
Tomi Ristimäki, member of the AC	40,500	3,000	4,800	48,300
Leena Saarinen (member of the Board and AC until April 9, 2024)	9,000	1,200	1,200	11,400
Sonja Sarasvuo, member of the AC	40,500	3,000	4,800	47,100
Mikko Tepponen, member of the NRC	40,500	1,800	4,800	48,300
Total	292,500	20,400	34,800	347,700

NRC = Nomination and Remuneration Committee

AC = Audit Committee

REMUNERATION OF THE CEO IN THE FINANCIAL PERIOD OF 2024

The CEO's remuneration comprises a fixed annual salary (including car, phone, and medical benefits) and variable remuneration components, i.e. an annual performance bonus and a long-term incentive plan reward. The fixed annual salary is reviewed annually. The share of the variable remuneration components was 14,5 percent of the CEO's overall remuneration in the financial period of 2024.

The term of notice for the CEO is six months. In the event of dismissal, the CEO is at the most entitled to receive compensation equivalent to 18 months' salary which includes the salary for a six-month term of notice. In the financial period of 2024, no additional accrual basis pension insurance policy was paid for the CEO.

Overall remuneration of the President and CEO in 2024 (EUR)

	Fixed annual salary (including taxable benefits)	Variable remuneration components		Total
		Annual performance bonus (accrued in 2023)	Share-based incentive plan (accrued in 2023-2025)	
President and CEO	464,717	78,795		543,512

Annual performance bonus

The annual performance bonus of the CEO is based on result targets which support the implementation of the Company's strategy and which are determined by the Board of Directors annually. These targets usually relate to key figures, e.g. operative growth and result objectives, or objectives supporting sustainability. The maximum amount of annual performance bonus is 100 percent of the annual salary. The annual performance bonus is always paid in cash after each one-year earning period in the financial period following the earning period.

In the financial period of 2024 the CEO received an annual performance bonus of EUR 78,795. The performance bonus was accrued in the financial period of 2023. The performance bonus was 17 percent out of the maximum amount. The proportion of the performance bonus was 100 percent of the variable remuneration components in the financial period of 2024.

In the financial period of 2024 the structure of the annual performance bonus remained unchanged and the essential targets were updated. The possible bonus will be paid in the financial period of 2025.

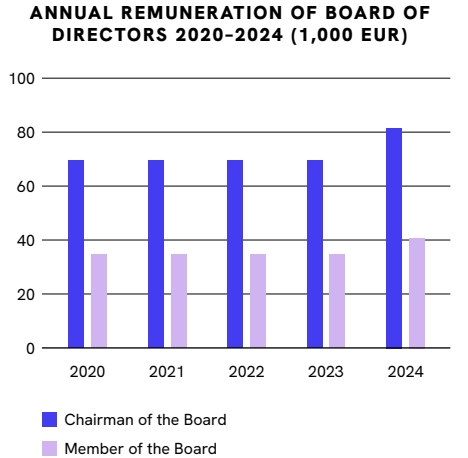
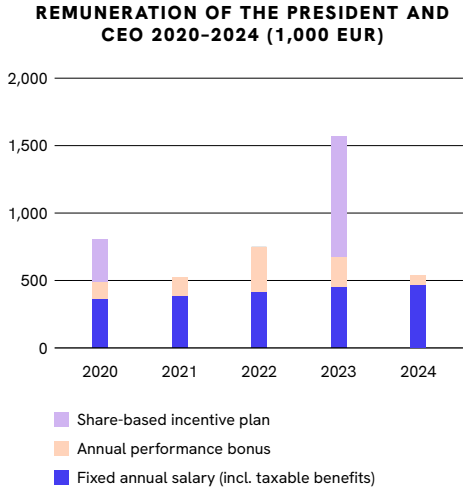
Share-based incentive plan

The long-term remuneration of the CEO is based on a share-based incentive plan. The Board of Directors decides on the incentive plan in three year intervals, and it is based on the targets to promote the Company long-term financial performance, growth, increase in shareholder value as well as support sustainability. The purpose of the long-term incentive plan is to reward the creation of long-term shareholder value and the achievement of set strategic and financial targets. The objective of the program is to engage the CEO to the Company and align the interests of the CEO and shareholders. The potential reward of the plan will be paid in the financial period following the earning period.

The CEO belongs to a share-based incentive plan for the Group key personnel that was established by the Board of Directors on April 19, 2023. The plan includes one earning period comprising calendar years 2023-2025. The aim of the plan is to combine the objectives of the shareholders and the key personnel in order to increase the value of the Company, to commit the key personnel to the Company, and to offer them a competitive reward plan based on holding the Company shares. The earnings criteria of the plan are Etteplan Group's revenue increase and earnings per share development. Approximately 35 people belong to the plan, including the CEO and other Management Group members. The potential reward will be paid after the end of the earning period in 2026 partly in the Company's shares and partly in cash. The proportion to be paid in cash is intended to cover taxes and tax-related costs arising from the reward to the key personnel.

The CEO belonged to a share-based incentive plan which was intended for the Group key personnel and comprised the calendar years 2020-2022. The earnings criteria of the plan were Etteplan Group's revenue increase and the development of Total Shareholder Return (TSR), and the plan included approximately 25 people. According to the decision of the Board of Directors the rewards paid on the basis of the plan corresponded to the value of an approximate maximum total of 390,000 Etteplan Oyj shares (including also the proportion to be paid in cash). The reward was paid in April 2023, and the CEO received according to the plan a total reward of EUR 898,299, constituting 26,891 Company shares and a cash reward intended to cover taxes and tax-related costs arising from the reward. The proportion of the share-based incentive plan reward was 80 percent of the variable remuneration components in the financial period of 2023.

The CEO belonged to share-based incentive plan established by the Board of Directors which was intended for the Group key personnel and comprised the calendar years 2017-2019. The earnings criteria of the plan were Etteplan Group’s revenue increase and the development of Total Share-holder Return (TSR), and the plan included approximately 20 people. According to the decision of the Board of Directors the rewards paid on the basis of the plan corresponded to the value of an approximate maximum total of 260,000 Etteplan Oyj shares (including also the proportion to be paid in cash). The reward was paid in April 2020, and the CEO received according to the plan a total reward of EUR 321,512, constituting 20,901 Company shares and a cash reward intended to cover taxes and tax-related costs arising from the reward. The proportion of the share-based incentive plan reward was 71 percent of the variable remuneration components in the financial period of 2020.





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