

SITOWISE GROUP PLC

Redefining Smartness in Cities – Sitowise’s Annual & Sustainability Report 2022



SITOWISE

Sitowise is a Nordic expert in the built environment with strong focus on digitality. We provide design and consulting knowhow to enable more sustainable and smarter urban development as well as smooth transportation. Sitowise offers services related to real estate and buildings, infrastructure, and digital solutions both in Finland and in Sweden. Global megatrends drive huge changes that require a re-evaluation of the smartness in the built environment – therefore we have set our vision to be Redefining Smartness in Cities. The Group's net sales were EUR 204 million in 2022 and the company employs more than 2,200 experts. The company's head office is located in Espoo. Sitowise Group Plc is listed on the main list of Nasdaq Helsinki under the trading symbol SITOWS..

www.sitowise.com

Sitowise Group Plc Annual & Sustainability Report 2022

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Milla, Business Segment Director

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FROM THE CEO

Redefining Smartness in Cities.

This is how our new vision was stated in Sitowise's new strategy that extends to 2025. When we think about the future, we see a growing need to redefine smartness. We need to understand the global changes that shake the societies. These changes include climate change, urbanisation, the growing repair debt, digitalization, reduced biodiversity, and an immediate need for circular economy solutions.

As these are immense topics, changes require the participation of the entire construction value chain. We need to increase understanding together and engage in active discussion across the industry on the operating models that we need to enable for a more sustainable future.

We need to have discussions with our clients, personnel and Sitowise's shareholders as well as other partners. Different stakeholder views are important and, therefore, it is essential for Sitowise to actively initiate the dialogue.

THE YEAR OF UNEXPECTED EVENTS

Early in the year, the mood was hopeful as we had just ended two years of living with COVID-19. However, things changed quickly with the Russian invasion of Ukraine – an unforeseeable situation which impacts were difficult to predict. The blurred outlook of the future involved the rising material costs, energy availability challenges, accelerated inflation and the general uncertainty in the market. The first few months made it clear that the year would not be what we expected.

Regardless, Sitowise continued on a growth path during the year, boosted by several acquisitions as well as organic growth. During the year, the Group welcomed nearly 200 new experts in Finland

and in Sweden through company acquisitions. We strengthened our competence in the SaaS business, infrastructure planning, renovation construction and building services engineering.

Our expert organization focuses on the clients and personnel, and I am glad to say that Sitowise is valued by both groups. The personnel's willingness to recommend Sitowise as an employer grew for the fourth consecutive year, with the 2022 personnel survey reaching an eNPS score of 30 (2021: 28).

Our client survey confirmed that Sitowise's expertise is valued: 94% of our clients say that they would choose Sitowise as their partner again. I would like to thank all our clients for trusting our expertise.

EYES ON THE FUTURE

In 2022 we have been looking to the future at Sitowise, while also responding to the current changes in the market situation. Since June, we have built our future strategy that focuses on future opportunities for growth.

As part of this process, the Sitowise employees discussed the purpose of our company's existence. The discussion clearly highlighted expertise. We summarised our purpose as "Empowering passionate experts to solve complex challenges". This means that Sitowise's core task is to ensure that experts with a passion for their work have the best means to solve the challenges of our clients and, thereby, society as a whole. Ensuring a sustainable future requires more expertise than ever before – and we are ready to meet this need.

The Sitowise Strategy 2025 is built on three pillars that are essential for the company's success:

The most innovative. Major changes require a new kind of thinking and new services. A client-focused innovation culture that creates new business is a significant opportunity. The Smart City Lab brings together the innovation activities at Sitowise, creating an innovation culture that encourages creative thinking in the everyday life and, thereby, developing services and business operations that interest our clients.

The most sustainable. Sustainability was a focus area already in our previous strategy. Sustainability comprises three parts: identifying and developing the sustainability impacts of our current business operations, creating new business relating to sustainability, and investing in the sustainability of the company's own operations.

The most efficient. In expert work, being able to focus on projects and client interaction is essential. This requires effective processes and systems in which the routines related to the work are carried out as smoothly as possible so that the expert can focus on what matters. For this, Sitowise has developed the Voima platform that boosts efficiency to the next level.

In the coming years, we must understand the enormous social changes and their impact on our expertise. For example, while the opportunities provided by digitalization are something to be excited about, we need to also see how it changes expertise and competence. The combined effects from sustainability and digitalization shake up and modify the entire industry – and society as a whole. Sitowise must be prepared for change – ready to redefine intelligent ways of working – which our vision "Redefining Smartness in Cities" refers to.



Future challenges require innovative solutions that are developed in partnership with clients, a sustainability approach in everything we do, and the ability to focus on what matters.

With the disruption of the industry and society taking place, the changes and the smartest ways of working must be created together.

No one can do it alone.

Heikki Haasmaa, CEO

Key events



JANUARY:

Sitowise acquires the Swedish infrastructure design agency Mavacon AB and completes the acquisition of VRT Finland Oy's business focusing on 3D construction inspection

JANUARY:

The work to implement Sitowise's sustainability program begins

APRIL:

The Sitowise brand is launched in the Swedish market

AUGUST:

Sitowise employees' experiences of how diversity is realised in the working community are examined with a broad survey used as the basis for future development

OCTOBER:

The winning idea of the first Smart City Lab innovation competition is developed into a service and sold to a client

NOVEMBER:

CFO Hanna Masala takes office

Q1

Q2

Q3

Q4

MAY:

CEO Heikki Haasmaa takes office

JUNE:

In Finland, Sitowise acquires Bitcomp Oy, an IT expert that focuses on SaaS solutions for the forest and natural resources sector, and Rakennuttajakaari Oy that specialises in renovation construction. In Sweden Sitowise acquires an electrical design firm E60 Elkonsult AB

AUGUST:

Chief Human Resources Officer Tajja Lehtola takes office

OCTOBER:

In Sweden, Byggnadstekniska byrån (BTB) and Technology for Infrastructure Projects (TFIP) are integrated into one company: Sitowise's subsidiary Sitowise Sverige AB

DECEMBER:

An ISO27001 certification is granted to Sitowise's security management system

OCTOBER:

Sitowise strengthens its construction and infrastructure expertise with the acquisition of the Swedish Convia



Acquisitions strengthened business operations and competence

JUNE:

Rakennuttajakaari Oy is an expert organization that specialises in renovation construction. It employs 45 people. Together, Sitowise and Rakennuttajakaari make up Finland’s largest expert organization in the field of renovation construction.

JUNE:

Bitcomp Oy provides digital solutions for forest asset management and sustainable utilisation of forests as well as solutions for maintaining biodiversity and combating climate risks. The company’s systems and analysis services utilise automation, artificial intelligence, and diverse data sources, such as satellite data, open spatial data as well as forest and nature data. Bitcomp employs nearly 80 people.

Buildings

Infrastructure

Digital solutions

Sweden

JANUARY:

VRT Finland Oy is a technology company founded in Jyväskylä in 2010. Sitowise acquired VRT Finland Oy’s business that covers 3D construction inspections and the processing and utilisation of 3D data for condition studies of structures below and above the surface of the water. With the transaction, nine experts from VRT became part of Sitowise. The acquisition was announced at the end of 2021 and completed in January 2022.

JANUARY:

Mavacon AB is a 13-employee company founded in 2015 with core competencies in consulting, technical studies and design services for road, land, water, sewer, and urban runoff projects. The company’s clients include municipalities, municipal companies, and private operators.

JUNE:

E60 Elkonsult AB is an expert organization in electrical design that employs 10 people. It was founded in Norrtälje, Sweden in 1997. The company’s core competencies are design and consulting as well as research and inspection services.

OCTOBER:

Convia is composed of two Stockholm-based companies: Convia Ingenjörbyrå AB, founded in 2016, and Convia Infrastructure AB, founded in 2020. The companies offer construction consulting services with a focus on buildings, industries, bridges, and tunnels. The companies employ 23 people.

Key figures 2022



NET SALES
EUR 204,4 million



ANNUAL NET SALES GROWTH
14%



ADJUSTED EBITA MARGIN
10%



ORDER BOOK
EUR 181 million



DIVIDEND PROPOSAL
EUR 0.10 per share



OVER
2,200 experts



"I RECOMMEND SITOWISE
AS AN EMPLOYER" -RESULT
Very good with an eNPS* of 30



**86% of new projects
in Finland**
USED THE SUSTAINABILITY TOOL



Over 6,000
SHAREHOLDERS



~50 % of the personnel
ARE SHAREHOLDERS



6
ACQUISITIONS

* Employee Net Promoter Score (eNPS) indicates employees' willingness to recommend their company as a good workplace to their friends or colleagues. eNPS is a value between -100 and 100, with a score of 0 meaning good, +20 very good and +50 excellent results.

Net sales growth exceeded the target

// Now that the reporting for year 2022 is ready, we can move our focus to the future with confidence. The year 2022 was, yet again, exceptional in many ways and involved new kinds of uncertainties. Considering this, we can be proud of Sitowise growing its net sales and also relatively happy with the year's profitability level. We target an annual 10% growth of net sales, including acquisitions, and our realised growth of 14% was clearly above this level. Our aim is to be the most profitable company in the industry, and our long-term profitability target (adjusted EBITA) is 12%. We did not reach this level in 2022, with the market uncertainties and higher than usual sick leaves impacting our profitability.

In 2023, we expect to see continued net sales growth and our profitability (measured with the adjusted EBITA margin, %) to remain broadly at the same level as in 2022. We will continue our focus on profitability through pricing, cost-awareness and a good utilisation rate.

Growth and profitability enable us to continue developing our operations to benefit our clients. Furthermore, they provide our employees with opportunities to learn new things and participate in exciting development projects. Sitowise's more than 6,000 shareholders are also eagerly following the company's developments and waiting to see the next steps on our growth journey.

Hanna Masala, CFO

Growth and profitability enable us to continue developing our operations to benefit our clients.



LONG-TERM FINANCIAL TARGETS

Meeting our goals requires our operations to have a solid financial foundation in the long term. The Board of Directors of Sitowise has set the following long-term financial targets for company operations:

- **Growth:** Annual growth in net sales of more than 10%, including acquisitions.
2022: +14%
 (2021: 12%)
- **Profitability:** Adjusted EBITA margin of at least 12%.
2022: 10.0%
 (2021: 11.8%)
- **Leverage:** Net debt/adjusted EBITDA should not exceed 2.5x, except temporarily in conjunction with acquisitions.
2022: 2.6x
 (2021: 1.4x)
- **Dividend policy:** Sitowise targets paying a dividend corresponding to 30–50% of its net profit.
The dividend proposal for 2022 corresponds to 45% pay-out ratio
 (2021: 45%)

New guidelines in response to the Russian invasion of Ukraine

In March 2022, Sitowise defined its principles concerning the Russian invasion of Ukraine. Sitowise decided that it will not start new projects with Russian-owned parties. Furthermore, the company reviewed all ongoing contracts and projects where the client has direct or indirect Russian ownership in order to terminate these arrangements. In March, the group did not have any active projects, subsidiaries, offices or employees in Russia or its ally states.

Moreover, Sitowise looked into its subcontracting partners and terminated all collaboration with Russian-owned partners. Going forward, this will be the course of action for subcontractors operating in any countries that are allied with Russia’s during the war.

In connection with these policies, it was emphasised that all kinds of racism or discrimination are unacceptable. Sitowise’s actions target companies, not individuals.



Strategy and Business Operations

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Sitowise strategy 2025

**We understand
our clients**



**We work as
one team**



**We trust
each other**



**We are
open**



**We are
brave**



OUR PURPOSE ›
Empowering
passionate experts
to solve complex
challenges.



OUR VISION >
Redefining
smartness
in cities



**The most
innovative**



**The most
sustainable**



**The most
efficient**

WE WILL FOCUS ON >

- Creating new smart services
- Accelerating growth in Sweden
- Expanding our digital solutions business
- Becoming a thought leader in sustainability
- Being the most well-known and desired employer
- Finding the smartest ways to work



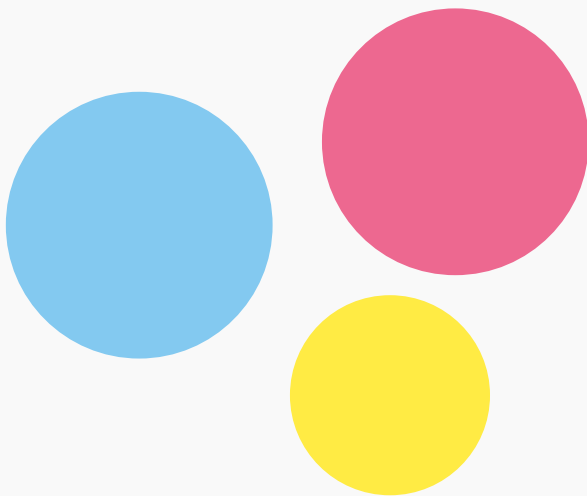
New Strategy 2025:

Redefining Smartness in Cities

Sitowise's new vision of *Redefining Smartness in Cities* grows out of the need to understand large, globally disruptive changes and their impact on the business and expertise needs in the future. Sitowise's growth is supported by the megatrends of urbanisation, repair debt, sustainability, and digitalization. The increased complexity in construction, growth in terms of technological content, disruption of transportation, tighter regulation, green transition, emphasis on sustainability and the focus on the lifespan impacts of the built environment will increase the demand for Sitowise's services.

The changing operating environment requires new ways of working and investing in sustainable business. Rapid changes require experts with a clear future view. Experts who are ready to understand the needs of society and the client as well as to develop new solutions for them.

Major changes require having a vision and the courage to think in new ways.



STRATEGIC PILLARS

In order to redefine smartness in cities, we need three basic pillars to build on:



The most innovative. Major changes require a completely new kind of thinking and new services. A client-focused innovation culture that creates new business and changes society is a significant opportunity. Sitowise calls its innovation culture “*The Smart City Lab*”. It is a platform that brings together the innovation activities at Sitowise, enabling a creative culture that serves client needs and drives new business operations.



The most sustainable. Sustainability is at the core of Sitowise’s business. It is developed from three perspectives:

- Identifying and developing the sustainability impacts of current business operations. Sitowise has created its own sustainability tool, which is used for developing sustainability internally and applied in client projects.
- Creating new business when clients need completely new kinds of services, for instance, to understand their own sustainability impacts or how climate change affects their operations.
- Investing in the sustainability of the company’s operations according to the sustainability program that extends until 2025. Its targets are carbon neutrality, equity, thought leadership and sustainable business.



The most efficient. In expert work, being able to focus on projects and client interaction is essential. This requires effective processes and systems that make the work more efficient. For this purpose, Sitowise has developed the Voima platform that guides efficiency to reach a new level.

PURPOSE:

Empowering passionate experts to solve complex challenges

Sitowise has a task to enable its experts to succeed every day. At the core of the company are experts and their ability to create solutions for complex challenges. Client needs and the diversity of thinking are the starting points when looking for solutions to meet the challenges of a sustainable future. Society’s ambitious climate and ecological diversity targets create a growing need for open-minded solutions that are guided by digitality and data-based decision making.

VALUES:

Client knowledge, trust, working as one team, openness, and courage

Our values guide our everyday work and enable a shared way of doing things. They lay the foundation on which the company culture is built. All Sitowise employees should know and share our values as well as live by them every day. At Sitowise, we work as one team, trust each other and act with openness. We have the courage to think in new ways and improve as well as challenge ourselves, the team and clients when needed. Finally, our activities are focused on the client, and understanding their needs is an essential starting point for everything we do.



MEGATRENDS OF THE BUILT ENVIRONMENT ACCELERATE INNOVATION AND SUSTAINABILITY

The megatrends will also affect the future of the built environment. For Sitowise, many of the megatrends accelerate the company's business. Sitowise is actively looking for new sustainable solutions for the needs of society and clients to tackle the major future challenges together.

Urbanisation increases the influence and responsibility of cities

It is estimated that, by 2030, the world will have 43 cities with a population of more than 10 million and, by 2050, approximately 70% of the world's population will live in cities. Cities' influence and responsibility for a sustainable future is constantly growing.



Sitowise's services to solve this challenge:

- *Sustainable urban development services* deliver economically, socially and environmentally sustainable solutions and smart practices for a smooth everyday life.
- *Sustainable mobility services* provide mobility solutions that are intelligent in terms of the environment and society.

There are no alternatives to sustainable development

Climate change, decline in ecological diversity, overconsumption and growing waste generation are challenges that are increasingly often resolved in urban areas and industry. Furthermore, growing cities more commonly face challenges in social sustainability, such as inequality and deprivation.



Sitowise's services to solve this challenge:

- *Services for climate change adaption* help to identify the changes and create solutions for adaption.
- *Energy and lifecycle planning* seeks to determine the best solutions for meeting a project's energy, lifecycle, carbon footprint and cost targets.

Technological development dictates the pace of change

Technology is developing faster than ever, and it offers unlimited opportunities. The digitalization of the construction industry, however, is clearly lagging behind other industries. The built environment generates large amounts of data which are still not utilised to the full extent.



Sitowise's services to solve this challenge:

- *Digital solutions for sustainable development* digitalise the built environment and mobility by making visible the information that clients need to support sustainable decision making.

Maintenance backlog of built environment is rising

In the Nordic countries, the ageing building stock and infrastructure in combination with tightening quality and functionality standards have led to a huge maintenance backlog in the built environment.



Sitowise's services to solve this challenge:

- *Renovation planning services* offer solutions to extend the life cycle of existing properties.
- *Sustainable demolition* involves careful planning that enables considering the circular economy and the economic management of the materials.

Cities are becoming more diverse

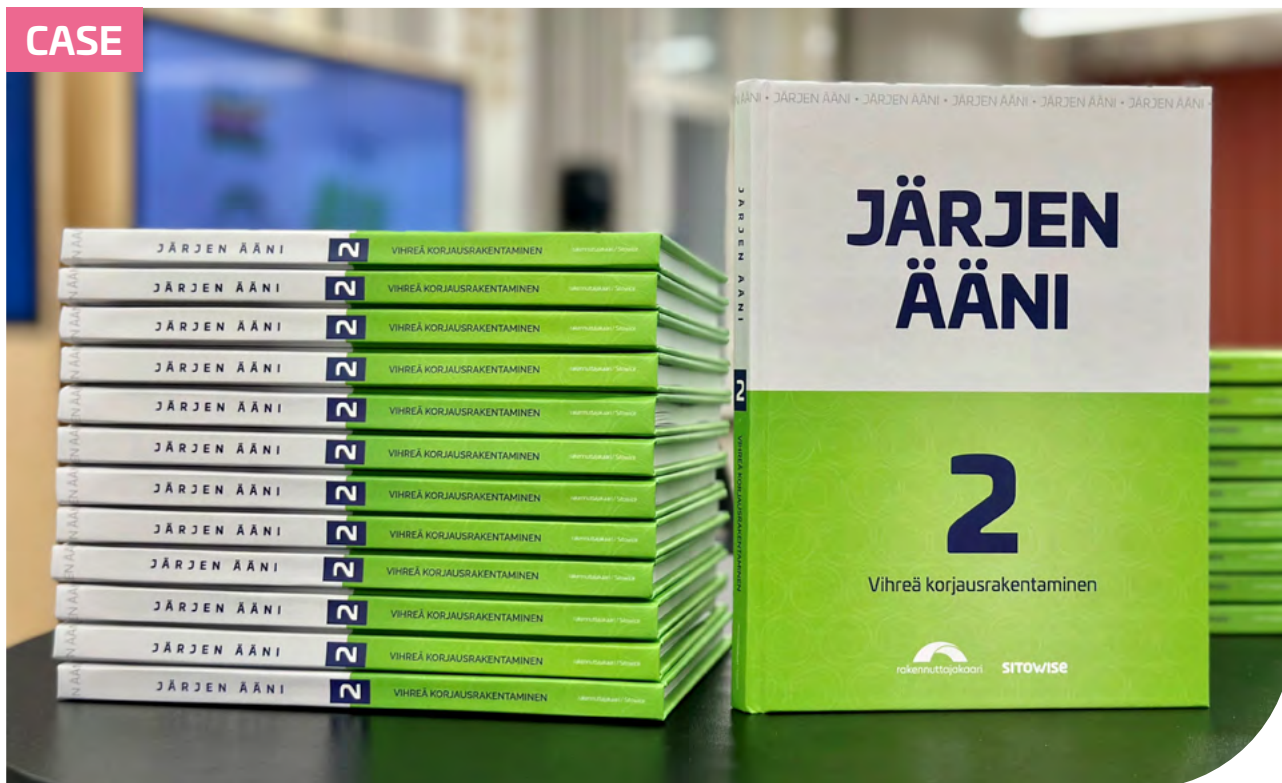
In the future, cities and their services will be planned for a significantly more diverse population than nowadays. Housing, jobs, and traffic must serve increasingly diverse needs. At the same time, consumer values and attitudes can change rapidly. For example, the demand for sustainable and climate-friendly choices is constantly growing.



Sitowise's services to solve this challenge:

- *Ecological landscape design* develops for example nature-based solutions for climate change adaption for and solutions that strengthens nature connectedness.
- *Sustainability pathway service* for regional projects supports the opportunities for mitigating and adapting to climate change in regional development.

CASE



A reasonable approach to renovation construction

In November 2022, Sitowise published the “Järjen ääni” guide for green renovation construction. The guide is aimed at all property owners. The guide comprehensively discusses green renovation construction from the perspectives of architecture, structural engineering and building services engineering as well as financing institutions. The guide was published at “The Smart City Morning Talks” event that discussed different aspects relating to renovation construction and raised discussion on the importance of renovation construction in general.

Green renovation construction is a major global challenge for this and future generations.

– Cars and aviation emissions dominate the discussion, and these are indeed important topics. After Tesla’s electric car,

the discussion turned more to the significance of electric vehicles, but properties have received surprisingly little attention. Perhaps, as a nation of drivers, we need electric cars to kick off the discussion, says Tuomas Pakka from Sitowise’s subsidiary Rakennuttajakaari.

In Finland, the buildings consume 40% of all the energy and a third of CO₂ emissions is generated by properties. Considering this, there is still very little discussion. The “Järjen ääni” guide aims to promote this discussion.

– As a result of regulations and standards, the energy-efficiency of new buildings has been improved successfully starting from the 2010s. The potential for improving energy-efficiency is the highest in renovation construction, adds Marko Tulamo from Sitowise’s Building Services Engineering Unit.

Small fixes can have a large impact

For properties and housing associations, the largest costs comes typically from the annual energy expenses. Heating accounts for 70–90% and electricity con-

sumption 10–30% of a building’s energy consumption and expenses. Energy systems are essential when building services engineering decides on individual actions that can improve energy-efficiency and reduce emissions.

– The management of energy waste is another important point. This includes exhaust air recovery systems. These are sensible investments in many properties, Tulamo says.

Many housing associations may live on a tight budget, but it is also possible to improve energy-efficiency through simple and affordable renovations.

– One option is to use properties more reasonably by lowering the temperatures. Finns are used to indoor temperatures that are a little too high. And speaking of renovation, sealing of windows can improve comfort and reduce actual costs.

The “Järjen ääni” guide can be downloaded in Finnish from:

► **Download guide**

VALUE CREATION AT SITOWISE 2022: WE CREATE SUSTAINABLE CITIES

Making our work possible

Personnel

- More than 2,200 skilled Sitowise employees

Intellectual capital

- The Smart City Company brand
- Products and services
- Digital data
- Clients and partner networks

Economic resources

- Equity EUR 117 million
- Non-equity capital EUR 164 million

Processes and technologies

- Voima digital work platform
- The Smart City Lab innovation platform
- Certificates

Energy consumption

- Electricity and heat consumption at offices 6,657 MWh

Business operations and its share of Sitowise's total net sale

- | | |
|---------------------|-----|
| • Buildings | 39% |
| • Infrastructure | 29% |
| • Digital Solutions | 14% |
| • Sweden | 18% |

Services

- Digital services
- Infrastructure and urban development
- Properties and buildings
- Sustainable development
- Transport and mobility
- Construction contracting and project management
- Strategies and development of operations
- Examinations and measurements
- Environment and water

Vision and values guiding our operations

OUR VISION ›
Redefining Smartness in Cities

OUR VALUES ›
We are brave
We are open
We trust each other
We work as one team
We know our clients

Added value and social impacts

Clients

- Thousands of client projects
- Setting sustainability targets for 86% of projects by using our sustainability tool

Personnel

- Personnel expenses and other personnel-related expenses EUR 136 million including salaries, training and occupational health services

Shareholders

- Payment of dividends 0.10 per share, all together EUR 3.5 million
- Approx. 50% of personnel are shareholders

Active role in discussing sustainability

- The Smart City Talks events
- "Järjen ääni" expert guides

Investing in future experts

- Vision for Competence
- Dialogue with higher education institutions
- Thesis pool
- NextGen competence development program
- Target: Students make up 10% of our personnel

Taxes

- Income taxes paid EUR 4.6 million
- Investments EUR 32.5 million

Emissions

- Carbon footprint 2,580 t CO₂-eq
- Target: Carbon-neutral operations by 2025

CASE



Cities can combat biodiversity loss – the 30% rule is a good start

Sitowise’s The Smart City Talks event in September discussed how ecological diversity can be secured in an urbanising world. Nature is an integral part of urban diversity and, therefore, planners and residents alike can promote the well-being of urban nature. How should urban environments be planned in order to maintain ecological diversity?

In her talk, Member of the European Parliament Sirpa Pietikäinen highlighted the rule of one third proposed by the internationally prominent ecologist Ilkka Hanski (1953–2016), according to which a third of all land areas should be reserved as areas for protecting ecological diversity. The EU’s biodiversity strategy for land and forest areas has the same 30% protection target.

– Cities provide a great opportunity. They should aim for the idea of a 30% ecological pocket. This means green roofs, green walls and yards designed with the idea of nature first. As a bonus, this

results in the absorption of carbon and more comfortable urban environments, Pietikäinen said.

More could be done for ecological diversity

The discussion about ecological diversity was continued by Ulla Loukkaanhulta who, prior to joining Sitowise, had worked for the City of Helsinki where she led the construction of the new Kruunuvuoren-ranta residential area, among other things. The aim is to build the new residential buildings and connections in the area such that old forests are preserved, and the environment of a rock pool located in the middle of the area is protected.

– The planning needs to solve how ecological values and the erosion caused by recreational use are balanced, Loukkaanhulta said.

– The actions to consider ecological diversity are increasing, but they are not yet sufficient. The easiest option is to

build on areas that are being used. If construction is planned on locations specified as green areas in the master plan the case is much more complicated. In these cases, the assessment will certainly be more specific.

According to Loukkaanhulta, areas without an official protected status are difficult borderline cases.

– For example, there is no way to restore a bedrock if the area is put to use. Entering such areas will need to be justified very thoroughly. Another thing to consider are residents’ local nature areas. This could mean a narrow forest area that has not much conservation value but one which is important for the residents.

Services from underground to the sky

BUSINESS AREA: BUILDINGS

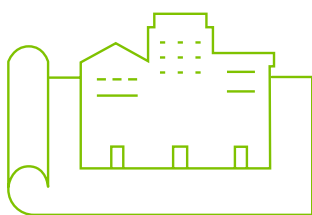
Challenging projects require comprehensive special expertise

The Buildings business area offers building design services, specialist services and construction contracting services for residential and commercial properties as well as for the needs of the healthcare sector and industry, for example. The business area's experts offer significant design expertise in high-rise construction, acoustics design and fire safety planning, for example. Sitowise works in the fields of new construction and renovation construction.

The services cover the following areas:

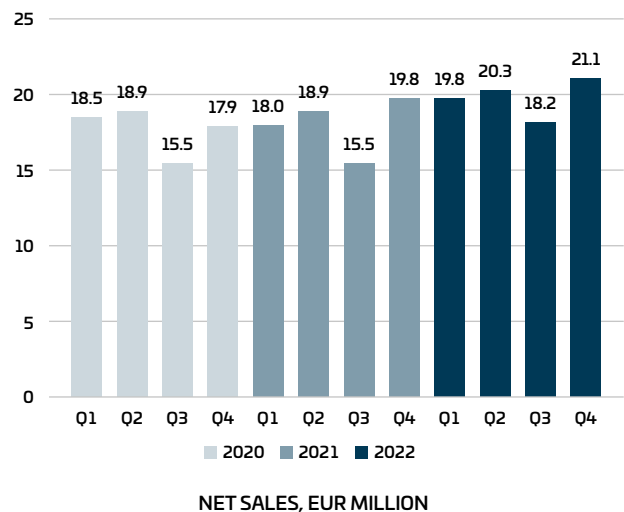
- Construction contracting and supervision
- Examinations and quality assurance
- Structural engineering
- HVAC engineering, building automation, electrical engineering, security and AV design
- Building renovation engineering
- Special services such as energy, automation, acoustics, fire protection engineering, hospital equipment and professional kitchens

The Buildings business area grew its net sales by 10.2% in 2022, amounting to EUR 79.4 million. The business area accounted for 39% of Sitowise's total net sales.



"I like that, in my work, no two days are the same. I make digital maintenance logs for new buildings as well as renovated ones. In the latter case, the maintenance log is updated with new information. We also offer our clients a continuous management service which ensures that the maintenance log will contain the latest information concerning the repairs made as well as any new equipment."

Emilia Rantanen, Digital Facility Management Specialist



CASE



Seven residential buildings will rise to crown a prominent city block in Tikkurila

In Tikkurila, Vantaa, a new magnificent city block is being built where seven tall residential buildings will seamlessly complement the new Tikkurila church. The location is near great services, transport routes and outdoor areas along the river.

For the city block, Sitowise’s structural engineers chose cost-efficient solutions that avoid unnecessary elements. As a result, the entire block is made up of the same details that were just developed along the way. For example, all buildings use a concrete element frame and a masonry facade.

In the city block, a lot of attention has been paid to managing moisture during the construction. The project uses the “Kuivaketju10” operating model. Kuivaketju10 is an operating model for managing moisture during the construction process, which reduces the risk of moisture damage throughout the building’s lifecycle. In terms of materials, high-quality M1-classified options are favoured, which release

minimal amounts of compounds into the indoor air. The planning stage also involved creating lists of risks concerning matters that require particular attention.

“All materials that are susceptible to moisture are protected during transport and storage, for example.”

Leif Salonen, Sitowise

Each week, a moisture management round takes place at the worksite that includes measuring the moisture of the concrete structures. This ensures that the concrete is dry enough for coating or covering. All structures that are relevant in terms of moisture management are inspected at the worksite, and all the results are documented.

Sitowise’s planners are also handling the city block’s yard and electrical design. Electricity consumption is measured in spaces and areas at yard-areas, shared spaces and the parking facility.

The Tikkurila central city block is a joint project by SRV and NREP. By 2024, the block will feature approximately 450 apartments as well as a car park with a yard deck. Four apartment buildings have already been completed, and the residents’ feedback has been positive.



The Buildings business area continued to grow in 2022. In particular, its growth took place during the first six months. The growth was supported by the increase in the number of personnel, which occurred organically as well as through acquisitions, and improved efficiency.



“ It is important for me to be able to influence things in my work as well as in society. At Sitowise, I get to develop the practices and services, and I can also amend my duties more freely. I have a background in humanities, which has helped me to examine projects comprehensively with a view to consider each party’s needs. There is still a lot of work to do in terms of low-carbon construction.

Lauri Aantaa, Low-Carbon Construction Specialist

The business area’s order book remained on a good level throughout the year. However, the uncertainty in the market increased by the end of the year. The uncertainty was especially reflected in new construction. The long-running housing construction boom continued in 2022, but the slowing down of housing construction started to affect the order book towards the end of the year. The market uncertainty was also seen in interrupted and postponed projects as well as in caution with starting new ones.

In early 2022, leadership in this business area was streamlined with an organizational change, which also increased the collaboration nationally between different units. The number of projects involving several services grew, and we successfully executed several joint projects in different branches and offices.

The client base and projects are appropriately distributed between the public and private sector, from residential buildings to challenging hospital and high-rise construction or industrial buildings, for instance. Our competence in renovation construction and new construction as well as the net sales being equally distributed between these two areas bring stability in our operations. Furthermore, the large number of mid-size and small projects evens out the monthly workload alongside large individual projects.

Demand in the growing renovation construction market was supported with company acquisitions. The growing repair debt, climate change and sustainable development will challenge all actors in the built environment more strongly in the future, and Sitowise will be able to meet this challenge better than before. With the acquisition of Rakennuttajakaari Oy, which is a company that specialises in renovation construction, Sitowise formed Finland’s largest renovation construction expert organization, comprising approximately 250 people.

The companies acquired in the previous year, Livair Oy and Insinööritoimisto Jorma Jääskeläinen Oy, were merged with Sitowise Group in the second half of 2022.

In recent years, the housing construction business has taken significant steps forward, which has been demonstrated by expert services growing more diverse and the degree of digitalization becoming higher. This has also boosted innovation activities. The developments are supported by experts’ diverse backgrounds and broad opportunities for career development both horizontally and vertically.

SUSTAINABILITY INDICATOR

The sustainable construction trend keeps growing

The demand for sustainable solutions grew in 2022. Sitowise sustainability tool was used to specify the sustainability targets for approximately 88% (2021: 40%) of the business area’s client projects. Most of the advancements were linked to the UN Sustainable Development Goal of Sustainable cities and communities, as 38% of projects had specified actions to further this goal.

The business area’s own sustainability target is to increase the share of Energy Class A buildings by planning buildings that are more sustainable and energy-efficient. Of all the buildings that Sitowise designed in 2022, 28.3% (2021: 30.4%; 2020: 22.4%) were in Energy Class A. According to the weighted average, the E-values of buildings designed in 2022, which reflect the building’s total energy consumption, were 11% (2021: 13%; 2020: 11%) better than the required level. In the weighted average, new buildings designed by Sitowise are compared with the required E-value level to see by how much the buildings designed by Sitowise exceed the required level.



CASE

We are building a 16-storey tower in downtown Jyväskylä

Pohjola Rakennus is executing a tower project in downtown Jyväskylä, which is estimated to be completed in summer 2024. Sitowise is handling the project’s structural and element engineering as well as HVAC and building automation engineering. A tower is an exceptionally demanding type of building that requires a qualified structural engineer.

“The structural engineering for a tower building must consider the wind conditions, in particular. Careful calculations ensure the building’s overall stability and verify the impact of torsion on the structures.”

Henry Hänninen, Sitowise

Exceptionally high loads also require the designer to have special expertise – the loads must be distributed evenly to the structures, which requires careful calculation from storey to storey. The structural plans and calculations were finished on schedule, and the plans passed the external inspection required in high-rise construction.

Pohjola Rakennus and Sitowise strive to promote responsibility in the construction industry and reduce the climate impacts of construction through their own activities. In the Puistola Torne project, Pohjola Rakennus has defined a service life of 100 years for the new building, which is significantly longer than the minimum goals.



BUSINESS AREA: INFRASTRUCTURE

Services on land, sea and air

The services of the Infrastructure business area cover a wide range of urban development needs. Urbanisation drives investment needs in cities and municipalities. The business area’s most significant client segment comprises public sector clients, who account for approximately 70% of the business area’s net sales.

The services cover the following areas:

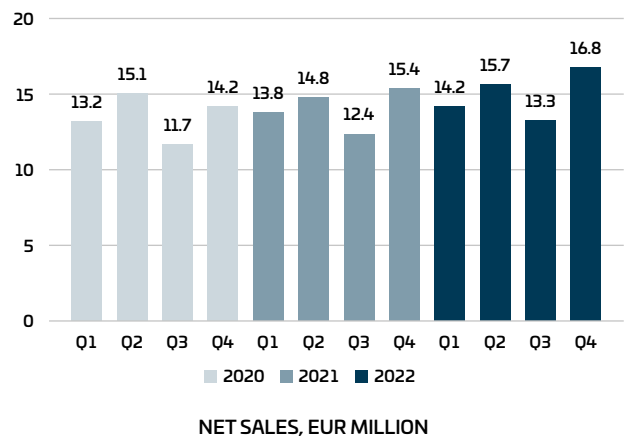
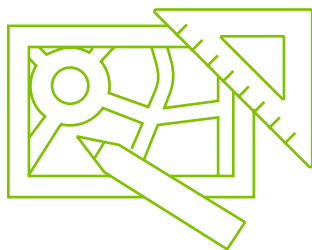
- Infrastructure
- Transport and mobility
- Urban development
- Environment and water
- Infrastructure construction contracting

In 2022, the net sales of the Infrastructure business area grew by 6.2 % to EUR 60 million. The business area accounted for 29 % of Sitowise’s total net sales.



“ My story at Sitowise started 10 years ago at a time when our environment and urban development business really started growing. Already then, the company management saw great opportunities for growth in the industry’s services. We have received full support to reshape the industry and spearhead many areas.

Tuomas Lukkari, Director of Environment and Urban Development



CASE



Lahti is a pioneer in managing urban runoff at worksites

In Finland, the management of urban runoff has become one characteristic of a high-quality, comfortable urban area, but the construction stage has received less attention. The contaminated runoff from worksites places a significant strain on nearby bodies of water. At the same time, the waste and soil that are conveyed from the worksites cause malfunctions in culvert structures and sewer networks.

The City of Lahti has worked in the long term for the nearby bodies of water. It was discovered that the management of runoff varies considerably between different worksites. In Lahti, it was decided right from the start that the city will not merely apply the existing instructions.

“In the future, large cities and companies like Sitowise have an important role in setting an example of sustainable construction, which will promote the more extensive use of good practices.”

Nora Sillanpää, Sitowise

The City of Lahti’s new guide was published on the city’s website in September 2022. The guide provides a comprehensive overview of the overall management of runoff at worksites. The approachable guide presents the goals and areas of and practical methods for runoff management at worksites. Detailed information is available in example plans for various types of worksites.

The conclusion of the work to develop the guide was that complex and expensive solutions are not necessarily required for improving the level of the management of worksite runoff. More importantly, each worksite’s individual opportunities for managing runoff must be identified and utilised.



The Infrastructure business area managed to keep its order book on a good level throughout 2022. Successful tendering in significant projects and receiving work from a broad network of framework agreements contributed to this. Everything was made possible by our competent and motivated personnel.

2022 was marked by a strong focus on the green transition. This is particularly evident in the energy sector: The number of environmental assessments for wind power grew significantly, which provide work for many people at Sitowise.

There was a decline in the public sector’s infrastructure investments, and the focus shifted towards railway projects. Sitowise responded to this by training in-house experts on railway design, among other things.

The company’s expertise was grown by acquiring VRT Finland’s 3D construction inspection services. This supplements our existing services such that we are able to offer infrastructure inspection and lifecycle services on land, sea and air.

Over the course of the year, our Infrastructure business area’s experts actively participated in discussions that further develop the industry and society. These included the SuomiAreena event organized by the Finnish media company MTV and the City of Pori, where we discussed the impacts of the built environment on the environment we live in.

Sitowise’s Infrastructure business is constantly developing its operations. The Smart City Lab innovation activities focused on new services. Last year, we made investments, among other things, in the development of the Smart Site tool that facilitates digital worksite management and in the development of sustainability assessment with the ESG Due Diligence tool that supports the sustainability assessment of properties’ environmental and social responsibility and good governance.

Over the course of the year, our Infrastructure business area’s experts actively participated in discussions that further develop the industry and society.



“ Our planning department feels like a family to me and, in general, Sitowise has an open atmosphere. The company has grown rapidly and I no longer recognise everyone at Sitowise by sight, but I can still ask anyone for help at any time. It is really neat that I am surrounded by 2,000 experts in their fields – which means an immense amount of information.

Anders Koponen, Rock Engineering Designer and Project Manager

SUSTAINABILITY INDICATOR

The Infrastructure business area’s projects guarantee sustainable cities

The Infrastructure business area’s engineering and other projects are important in terms of the sustainability and functionality of cities and society. The setting of sustainability targets for client projects is tracked with Sitowise’s sustainability tool. The tool was used for specifying sustainability targets for approximately 86% (2021: 54%) of the business area’s projects that started in 2022. Most of the advancements were linked to the UN Sustainable Development Goal of Sustainable cities and communities, as 32% of projects had specified actions to further this goal.

CASE



Keilaniemi underground parking enables the development of a pleasant urban environment

The planning of the Keilaniemi underground parking facility began in 2018 with a feasibility assessment carried out by Sitowise. The earthworks for the first driving tunnel were started in September 2022.

The underground parking facility will have a gross floor area of more than 60,000 m², with the excavation volume reaching nearly 300,000 m³. It will provide parking spaces for approximately 1,600 cars and house a civil defence shelter for more than 3,300 people. Half of the parking spaces will have an EV charging point.

The large parking facility itself will not lead to more overground traffic in the Keilaniemi area; rather, the cars in the area are led underground in appropriate locations. This way, the overground area will have room for enjoyable pedestrian walkways and seaside urban spaces.

“ In underground construction, Sitowise is able to serve its clients with a comprehensive planning service in which the client receives the different planning solutions from one central location.

Jannis Mikkola, Sitowise

Sitowise participates in many construction projects in the region with its wide range of services.

A Smart Gold certificate is sought for the underground parking facility. It requires sustainable, low-carbon solutions and the consideration of the circular economy. The land use plan specifies that the soil and rock materials generated during excavation are used as fill materials in land reclamation, where possible. Furthermore, the project is guided by the different parties’ sustainability principles.



BUSINESS AREA: DIGITAL SOLUTIONS

The SaaS business doubled and AI expertize grew significantly

The Digital Solutions business area focuses on digital solutions for mobility and the built environment as well as consultancy services that support these fields. The business area also includes digital solutions for traffic and infrastructure in Sweden.

The services cover the following areas:

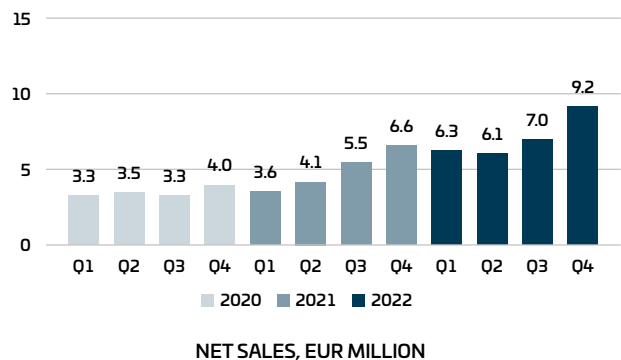
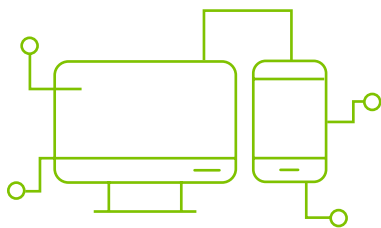
- Client-oriented software development
- Software as a Service (SaaS) and product solutions
- Expert services and strategic consultation
- Service design
- Geographical Information Systems GIS
- Data Engineering and Data Science
- Data management and digital twin

The Digital Solutions business area grew its net sales by 44.4% in 2022, amounting to EUR 28.5 million. The business area accounted for 14% of Sitowise’s total net sales



“ Technology provides us with new tools, but our first priority is to take care of the people and communities that develop the technology. This means ensuring the equality of all members in diverse and multi-cultural software development teams, their mutual trust and sense of security. This enables our software developers to communicate openly and confidentially also with our clients. This lays the foundation for designing digital solutions that serve the entire society and not just a specific part of it.

Jenna-Riia Oldenburg, Project Manager





CASE

Digital services boost the efficiency of fire inspections and other work for preventing accidents

Sitowise was selected in a tendering process to supply the new national accident prevention data system together with Vincit Plc. The Finnish Ministry of the Interior is implementing an information system project that aims to improve the efficiency of accident prevention processes, data transfers and practices in rescue operations, harmonise them and make them more transparent. Another goal is to enable digital interaction by clients. The project is scheduled to be completed by 2027. The purpose of the change is to improve the effectiveness and quality of accident prevention as well as client equality. Accident prevention refers to actions that aim to decrease the probability of an accident and to reduce the damage resulting from it. Rescue departments prevent accidents with fire inspections and other supervisory activities as well

as by providing guidance, advice and education to residents, entrepreneurs and other people.

“ Data management is increasingly important in social and everyday safety. In this project, we use digital solutions to drive fire safety in buildings and support work that promotes chemical safety. Furthermore, we get to utilise our special spatial data competence.

Mikko Ristikangas, Sitowise

The supervision register includes approximately 2.6 million items in Finland, such as properties, chemical facilities and sites with oil-fired heating. In rescue services, the system will be used by all 22 regional rescue departments, contract fire brigades, Ministry of the Interior, Emer-

gency Services Academy and Regional State Administrative Agencies. The project will be executed in collaboration with the rescue departments, Emergency Services Academy, DigiFinland Oy and Government ICT Centre Valtori.*



* The original bulletin was released on the Ministry of the Interior’s website on 7 July 2022: intermin.fi.

The business area's order book grew even stronger in 2022. Winning large IT projects provided the most significant profits, and we got to start new projects during the year. The objective for the strategy period was to reach a state in which Sitowise can execute large IT projects related to urban and ecological living environments. The objective was met according to plan through organic growth and company acquisitions.

The largest projects in 2022 were the operator and quality consulting for the Finnish Transportation Infrastructure Agency's road data systems, the Metsään.fi 2.0 service for the Finnish Forest Centre, the accident prevention information system for the Ministry of the Interior, a spatial data system for the City of Helsinki and participation in the Built environment information system (RYTJ) project with Solita Oy.

The digital solutions include data solutions and digital solutions related to the living environment as well as supporting expert services. Sitowise's special competence areas are spatial data and supporting services. The company offers its services for client-specific software development in relation to SaaS solutions and product solutions.

The company's net sales based on SaaS operations grew significantly in 2022. Contributing to this was one of the most significant acquisitions in the year, with software company Bitcomp Oy that specialises in intelligent forest system and spatial data becoming part of Sitowise. With this acquisition, Sitowise doubled its SaaS business, which is based on long-term contracts with recurring invoicing. In addition, the acquisition significantly boosted the company's AI expertise.

Similarly to previous years, there has been a shortage of qualified people to implement digital solutions. Despite the challenging recruitment market, we managed to find new experts through our successful and praised hiring process. One highlight of the year was all of the business area's employees getting together after the years of living with COVID-19.



To me, logistics projects highlight cities' social and societal responsibility, including in terms of transparent decision making. The planning of urban logistics typically involves many areas for which no one in particular is really accountable. Therefore, our task is to collect all the discrete pieces and differing views together, go through them systematically and raise open discussion in order to help identify the different impact chains.

Iida-Maria Seppä, Logistics Expert

SUSTAINABILITY INDICATOR

Data enables responsible decision-making

The built environment and mobility account for a significant share of the global emissions. The Digital Solutions business area's services help clients digitalise their practices and services that affect emissions by enabling responsible decision making and interaction with data resources. This allows making smart, informed decisions and reducing emissions. In 2022, the business area's solutions enabled this in 88% (2021: 87%; 2020: 81%) of the projects. The result was obtained by reviewing whether an information system or service has been made or specified for the client or whether data was otherwise made available to enable sustainable decision-making.

Sustainability targets were specified with the sustainability tool for approximately 50% (2021: 29%) of the business area's projects that started in 2022. Most of the advancements were linked to the UN Sustainable Development Goal of Sustainable cities and communities, as 31% of projects had specified actions to further this goal.



CASE

Efficient snow logistics through land-use planning

Helsinki is growing and developing, which means that there are more needs for the urban space than before. The urban space is subject to higher quality standards, and the need for handling snow is growing. At the same time, the current network of snow reception sites is reducing and there are progressively more areas which do not have sufficient regional snow handling capacity even in the short term. As the reception network becomes more sparse, snow is transported longer distances.

With a snow logistics assessment prepared for the City of Helsinki based on spatial data, the maintenance manager can communicate the snow reception needs by region to the land use planners.

“Comprehensive spatial data enables efficient network analyses in order to obtain data to support planning and decision-making.” The analyses allow for optimising the city’s snow logistics comprehensively, which brings to light any chain reactions caused by changes in the reception network.

Ida-Maria Seppä, Sitowise

The transport and handling of snow generate costs and emissions. Optimising the snow handling network ensures the service level for winter maintenance and minimises the harmful impacts from the handling. In order to reach this aim, more information is needed on the location of

snow waiting to be handled and alternative ways of handling it including their available capacities. The snow logistics assessment based on spatial data prepared for the city of Helsinki has calculated the generated snow volumes by small area, which enables comparing different reception network alternatives.

With the assessment, the maintenance manager can communicate the snow reception need by each area to the land user planners, which enables ensuring the functionality and comfort of the city in the winter as well – without forgetting the carbon neutrality targets.



BUSINESS AREA: SWEDEN

A broader range of services and strong growth

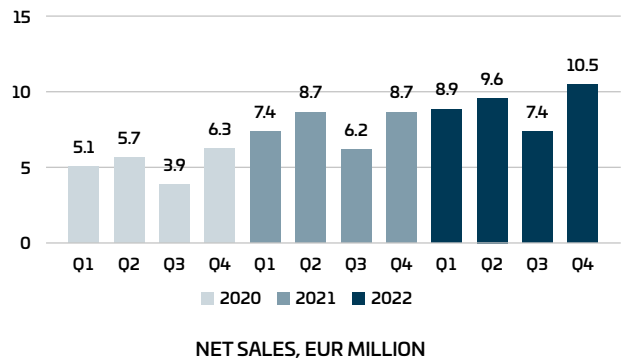
Sitowise’s business area and service offering in Sweden has developed well during the past few years, now providing wide-ranging engineering and consulting services for buildings and infrastructure. In Sweden Sitowise employs currently over 300 experts and the company continues to grow. During the year of 2022 the Swedish service offering was extended and strengthened with a couple of new service areas – Civil Works, Bridge design and Bridge maintenance. A significant enabler for the business to be able to take on the important market of Infrastructure.

The majority of Sitowise’s operations in Sweden were brought under the Sitowise brand in November.

The services cover the following areas:

- Structural engineering
- Building services engineering and consulting for buildings and real estate
- Infrastructure and the related building services engineering
- Geotechnical design
- Public utilities
- Bridge design and bridge maintenance
- Digital Solutions

The business area grew its net sales by 17.6% in 2022, amounting to EUR 36.5 million. The business area accounted for 18% of Sitowise’s total net sales.





3D modelling facilitates the construction of a new vaccine facility

Sitowise has engineered, designed, and performed 3D modelling for both HVAC and Utility Piping system to a new Filling Facility for Covid 19 vaccine at the Institute Pasteur de Dakar (IPD) as part of the project known as MADIBA, “Vaccines in Africa, for Africa”. Dakar, Senegal.

The facility has capacity to manufacture at least 300 million doses of vaccines per year. While the first target is COVID-19, the facility will include multi-suite drug substance and fill-finish capabilities. It is designed to be modular and flexible to adapt to changing pandemic and global health needs. When fully operational, it will be the first site in Africa capable of producing a finished COVID-19 vaccine from raw materials. Unlike traditional facility construction, by using modular off-site construction, which enabled completing it faster than with conventional methods.

Sitowise’s client in this project, Key-Plants, is headquartered in Stockholm and is a leader in modular off-site construction for the life science industry, having executed more than a hundred projects globally.



SITOWISE SVERIGE AB PROVIDES A SHARED FOUNDATION FOR SERVICES IN SWEDEN

In 2022, the subsidiaries in the Swedish business area, Byggnadstekniska byrån (BTB) and Technology for Infrastructure Projects (TFIP), were merged into one company. Having a well-defined platform makes a difference for future growth – both organically and through acquisitions. By the end of the year the authorized name of the legal entity was changed to Sitowise Sverige AB.

The first step of growth was taken at the end of January, as Sitowise acquired Mavacon AB. Mavacon is a strong infrastructure and civil engineering consulting agency located in Falun. The second acquisition occurred in the beginning of June when E60 Elkonsult AB joined the group: A long-term expert organization in electrical design located in Norrtälje. The final acquisition of the year went through in late October when Sitowise acquired Convia Ingenjörbyrå AB and Convia Infrastructure AB, providing design consultant services focused on building design and infrastructure.

One of the business area's key goals for 2022 was to create a strong fundament that will support the growth targets in Sweden. Furthermore, creating a strong, shared foundation is a cornerstone for us to be able to position ourselves in the Swedish market. Another aim was to tighten the collaboration with the Finnish entities in order to create the next generation of Sitowise together. The number of project co-operations and the utilization of expertise between borders have both increased.

In 2022, Sitowise has defined its business concept in Sweden. The target was set for Sitowise to become one of the top competence and knowledge leaders in selected market segment on the Swedish market. The definition of business concepts and setting of goals have further strengthened client relationships. This has opened doors to strengthen numerous of the company's client relations. It has also made it possible to take more responsibility within the projects and bring more opportunities to the table.

In 2023, Sitowise will become more distinct in establishing its message and profile in Sweden. The company's offering is well suited for the Swedish market, and it has the right approach in order to meet the needs of new clients.

MARKET OUTLOOK IN SWEDEN: EYES ON THE FUTURE

/// Sitowise is a competent and sustainable challenger in the Swedish market in the company's core business areas: building constructions, complex installations, bridges design and bridge maintenance. By relying on our strengths, we will become one of the greatest players amid our Swedish competitors.

We are a strong and competent team of experts in Sweden. Sitowise has grown into one company from several smaller companies that have always focused on the clients and employees. We need to keep this focus in mind as our operations grow; we will always prioritise client value.

We respond to clients' needs through our professional competence and comprehensive expertise. We will not operate in any area where our knowledge is not cutting edge. We will never compromise in this matter. Whenever we enter a new business area, we do it with the aim of becoming known as a company that has genuine expertise. We always strive to work with the client to find the solutions that are efficient, long-lasting and sustainable as well as the best fit for their project. This is what makes Sitowise unique and enables us to challenge our Swedish competitors.

The market outlook is affected by the global situation, and the uncertainty in the market will continue for some time. Among other things, the increase in interest rates due to the uncertainty is currently impacting our clients' opportunities for financing their projects. At the moment, the housing and real estate market is suffering the most, and its market situation is weak. However, the commercial building and industrial markets, as well as the areas of infrastructure, are operating on a level that is manageable to meet.

Our backlog remains strong, but the future is more difficult to predict than it has been in a long time. We estimate that we are well positioned for continuing our organic growth. Infrastructure and industrial projects still have good growth potential, and those are areas where we expect to see growth in 2023.



Jonas Larsson,
Head of Sitowise Sweden

CASE



Sustainable development in the reuse of construction materials

Arenastaden is a growing and developing district north of Stockholm. The area features the largest shopping center in Sweden, a massive multi-use arena as well as offices, services and apartments. The development of Arenastaden is strongly based on sustainable development targets. In Arenastaden, Sitowise has participated in a pilot project for reusing construction materials. In the project, the “Hållbarhetshuset” (Sustainability House) was built for property company Fabege as a temporary meeting place for the duration of the construction projects in the area.

The Sustainability House used demolition materials from a dismantled local car dealership, including hollow core slabs and crushed concrete. In terms of interior materials and furniture, it was possible to reuse doors, toilet seats, roof panels and even a great deal of light fixtures. The Sustainability House was built with 70% of recycled materials.

In this exceptional construction project, Sitowise got to utilise its extensive expertise in concrete elements by delivering the construction documentation for the hollow core slabs.

“It has been interesting to work in particularly close collaboration with an architect who has had to adapt the house plans to using recycled materials. As we decided to dismantle and utilise old hollow decks, the house ended up being a little narrower than originally intended.”

Viktoria Olofsson, Sitowise

The project provided good opportunities for learning about the reuse of different materials, which makes it a pioneering project in terms of sustainability.





Micael, Project Engineer

Sustainability

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Sustainability is at the core of the business

// Engineers, application developers and other experts in the built environment will save the world. A lot of decision making with high, far-reaching sustainability impacts always takes place in the built environment. Therefore Sitowise is particularly focusing on identifying the sustainability impacts of our work with clients. Our experts must be able to identify the impacts of their work, make them visible also to the client and engage in discussion whether changes are necessary. This is a major cultural change that sets high requirements on both the experts and the organization.

Sitowise examines sustainability from three perspectives: the further development of existing business operations and projects, the creation of new business and the promotion of sustainability aspects in our own operations. We have relatively little direct impact on the environment and the consumption of natural resources, for example. However, we have an enormous handprint in terms of the decisions that our clients, cities residents or users of digital services make every day – this affects whether cities and residential areas or, alternatively, individual buildings are sustainable and encourage sustainable choices. This is not a simple thing as, in the big picture, everything is interconnected. However, the important thing is for our industry to have active, continuous discussion.

I would like to point out three highlights from 2022. We wanted to raise discussion about the diversity of experts and thinking in our field. We need different people from different backgrounds to discuss the development of the built environment. We addressed this topic in multiple of our The Smart City Talks events and, furthermore, started internal efforts on equity and inclusion with an analysis of our employees' views on diversity at Sitowise.

Reporting, reporting, reporting – this seems to be what all companies are currently focusing on. The EU taxonomy related to the green transition and the tighter sustainability reporting requirements challenge all of us to review our sustainability efforts and the data we collect on sustainability.

As a third point, I would like to mention something Sitowise is proud of: the sustainability tool that we developed. It has established a position in client projects, and it enables us to identify and track project sustainability according to the SDG framework. This is the best example of making sustainability a part of everyday business operations.

Minttu Vilander,
Chief Communications and Corporate Sustainability Officer



Sitowise is particularly focusing on identifying the sustainability impacts of our work with clients.

Four main goals summarize our sustainability efforts

Sitowise’s sustainability program extends to 2025, and it goes hand in hand with the company’s vision. Sitowise is building sustainability across the entire industry through its client projects and industry networks and drives sustainability in its own operations with determined measures.

The sustainability program is built around four, measurable goals which Sitowise and its employees use to change the world. The objective is to reduce the carbon footprint of company operations but also to leave as large a sustainable handprint as possible.



The main goals of the sustainability programme



Sitowise is carbon neutral in 2025



Sitowise aims for sustainable economic growth



Sitowise is the most equal workplace with best employee well-being in the industry



Sitowise actively contributes to making its industry more sustainable



“ The climate crisis creates demands for urban development, which can only be answered by an increasing multidisciplinary competence. Along with urban, cultural historical and nature’s values we must be able to evaluate comprehensive climate impacts with sufficient agility, such as the emissions of building and infrastructure construction and transport. Innovations are needed for climate impact assessment innovations, because our current emission counters are not as such, suitable for urban development projects. We at Sitowise are aware of this and we are constantly developing new tools to support sustainable urban planning.

Eero Puurunen, Service Manager, Sustainable Urban Development



“ In my work, I design living nature-based solutions to the built environment. Unfortunately, the built environment often destroys nature, but for example the sides of lanes and other areas on the edge of construction should be exploited more to strengthen the resilience of our endangered species. At Sitowise, we have a strong knowledge of landscape design and nature, and as pioneers, we have brought e.g. invasive alien species mapping and prevention to several transport infrastructure and city projects even before the legislation was created. Defending of endangered species is important to me personally, and it's great that in my work I get to combine my competence with relevance.

Jaakko Kullberg, Senior Specialist

GOAL:

Sitowise actively contributes to making the industry more sustainable



For Sitowise, sustainability means not only providing sustainable services and products but also identifying the trends of the industry and engaging in active dialogue. One of Sitowise’s key sustainability goals is to *actively contribute to making the industry more sustainable*, with the aim of being the most active and interesting actor in the discussion concerning the sustainability of the built environment. In addition to taking an active role in the sustainability discussion, the sustainability program’s goal is supported by significantly improving employees’ sustainability competence and including sustainable development in the remuneration policy.

Sitowise participated for the first time in the SuomiAreena societal discussion event organized by the Finnish media company MTV and the City of Pori

WHAT WE DID IN 2022?

The Smart City Talks gathered thousands of people to learn about new perspectives

Right from the start, Sitowise’s popular The Smart City Talks events have been built into a forum that raises discussion and drives dialogue relating to the questions of sustainability in the built environment. The Talks events were continued in 2022, and they were complemented by the concise morning coffee discussions titled “The Smart City Morning Talks”.

The discussions touched on relevant topics such as how green renovation construction helps with the energy and climate crisis as well as why diversity is important in terms of the built environment and the people who design cities. The morning events featured top experts who provided up-to-date information on low-carbon construction and smart traffic and discussed why creativity is relevant even in the work of engineers. All in all, the events reached an audience of 4,500 people and started many great post-event discussions on sustainability.



Based on feedback, The Smart City Talks events have provided people with new ideas that they can utilise in their own work, and the events' versatile views on the built environment are valued.

In addition to The Smart City Talks events, Sitowise participated for the first time in the SuomiAreena societal discussion event organized by the Finnish media company MTV and the City of Pori. Here, Sitowise had three events with the themes of combining nature and construction, myths concerning smart traffic, and urban nature.

Sustainability is a key element in client projects

The most crucial sustainability discussions take place in client projects. At the start of a project, how the different sustainability aspects can be considered is defined. In 2021, Sitowise developed its own sustainability tool for the purpose of defining sustainability targets in client projects, which facilitates setting appropriate targets. In 2022, the usage rate of sustainability tool was significantly increased. By the end of the year, it had been used in 86% (2021: 43%) of the client projects in Finland.

Read more in Finnish:

- Sitowise's sustainability tool ► **p. 51**

Joint projects that improve sustainability across the industry

Expertise in the built environment and competence in digital information helped Sitowise get several projects in 2022 that improve the construction industry's sustainability. In August, the EU-financed Smart Site project started. It uses up-to-date data to promote the management of material flow information in infrastructure construction as well as the recycling of construction and demolition waste at worksites. The project has been funded by the Ministry of the Environment's Low-carbon Built Environment Program, which is part of the EU's Recovery and Resilience Facility (RRF). Smart Site is advancing into the pilot stage in spring 2023. At the end of the year, the Finnish Environment Institute Syke chose Sitowise and Solita to develop a built-environment information system. It will include national land use and construction information and serve the entire industry in the future.

Indicators on a good level – with some room for improvement

Sitowise actively contributes to making its industry more sustainable – the progress of our sustainability target is tracked with general public Reputation and Trust survey as well as through client surveys. The results for 2022 are on a good level, although there is a slight decline in some areas.

- Sitowise moves the industry in the right direction with regard to society (Reputation and trust survey*):

3.50 (2021: 3.58)

- Sitowise is an industry pioneer in the climate and environmental aspects (Reputation and trust survey*):

3.28 (2021: 3.36)

- Sitowise is the most responsible partner (Client survey**):

3.47 (2021: 3.5)

- I know how I can take sustainability into account in my work (Personnel survey***):

61% responded favourably (2021: 57%)

More sustainability dialog in events and customer projects

Sustainability discussions will continue actively in 2023 as will The Smart City Talks events with new topics. Furthermore, the Sitowise sustainability tool will be developed further so that it serves our clients better, and sustainability training aimed at Sitowise experts will be prepared. Starting from 2023, the performance bonus system will also emphasise sustainability, and the indicator for this is the use of the sustainability tool.

* The Reputation and Trust survey is used for gathering information on the stakeholder support and various aspects of reputation on the whole company level. This survey provides Sitowise a comprehensive view of how its reputation is developing and enables benchmarking with competitors. In the survey, the respondents evaluate statements on a scale from 1 to 5, and a good result is a score of over 3.50.

** With the help of the client survey, Sitowise tracks the satisfaction of its clients and other partners on the group-level as well as by individual business areas. The survey provides valuable information on project completion and assesses how successful cooperation is. In the survey, the respondents evaluate statements on a scale of 1 to 5.

*** In the personnel survey, statements are evaluated on a scale of 1 to 5. Here, 4 and 5 are interpreted to be favourable ratings.

GOAL:

Sitowise aims for sustainable economic growth



Societal trends and the EU’s green transition impact the activities of Sitowise, its clients and the whole of society. In order to make progress in its goal of sustainable economic growth, Sitowise anticipates and monitors changes in the market, sustainability trends and clients’ sustainability targets. In addition, Sitowise actively develops its current services and creates new ones to meet the challenges of sustainable development. The purpose is to grow the business that aims at sustainable development.

WHAT WE DID IN 2022?

Investments in the innovation culture

Sitowise boosted the development of sustainability innovations by hiring a Head of Innovation. His task is to develop the The Smart City Lab innovation activities aimed at all personnel, which had a strong start in early 2022 as well as to strengthen the company’s innovation culture. These measures are expected to fuel Sitowise employees’ engagement in creating new sustainable services and boost the community’s innovation activities.

In 2022, The Smart City Lab identified an incredible 154 ideas that either improve Sitowise’s operations or create new business. Over the course of the year, 14 ideas were selected for further devel-

opment. A special mention goes to the ESG Due Diligence service, which was selected as the winner of the innovation contest. It provides a tool for the sustainability assessment and the risk assessment of properties’ environmental and social responsibility and good governance.

Sustainable development solutions through new services

In 2022, an ESG application was developed and commissioned by MuniFin (Municipality Finance), among others. It enables users to view the status of their municipality’s sustainable development, look at development trends and compare the different areas of sustainability with other municipalities. The application will be published in early 2023, and it is based on Sitowise’s MayorsIndicators services.

Together with Finland’s six largest municipalities and the Association of Finnish Municipalities, Sitowise prepared a handbook on the SDG analysis process. It provides cities, municipalities and other organizations with guidelines on how they can utilise an interactive workshop method in the promotion of the UN Sustainable Development Goals (SDGs). The SDG analysis is based on the method developed at the city of Espoo and described in a peer-reviewed scientific publication. Going forward, the SDG analysis process will be offered comprehensively to various actors.



Emma Liljeström and Elina Merta from the winning team of The Smart City Lab’s first innovation competition open to the entire staff. Suvi Monni and Sanna Valgamaa were also behind the winning idea – the ESG Due Diligence service.

Anna, Structural Engineer & Linda, Designer



The productization of the Sustainable Urban Development Forum continued. The forum is based on joint development, peer learning and experimentation. In particular, the forum is suitable for solving complex, cross-administrative challenges. The Sustainable Urban Development Forum was used for supporting the Finnish municipalities' climate efforts. The concept was developed as part of the Ministry of the Environment's Sustainable City program.

In collaboration with seven municipalities, Sitowise started the development of a method for the whole life carbon assessment of town plans. The end result will be an intuitive online tool that enables municipalities to assess the climate impacts of town plans.

Monitoring changes brought about by the green transition

The EU's green transition will bring with it tighter sustainability reporting requirements and new taxonomy classifications. We are prepared for their implementation by actively monitoring the changes. The business functions' taxonomy review made progress; the reporting for 2022, will include, in addition to taxonomy eligibility, the proportion of the business which is taxonomy aligned.

Work in the long term is measured in different ways

The target of sustainable economic growth is tracked using various indicators, such as Sitowise's contribution to innovations that drive sustainable development. In 2022, 88% of the company's innovation contributions were allocated to the promotion of sustainable development. The calculations will be developed further in 2023 so that this share can be reported considering the total budget for RDI activities.

We also track progress with client surveys:

- Sitowise knows the industry's developments well:

4.08*

In addition, the respondents assessed Sitowise's operations in terms of developing new innovative solutions:

In 2022, 53% of the respondents saw Sitowise as a forerunner (2021: 48%)

The Sitowise business functions' eligibility for the taxonomy is now being reported for the second time. More information is available in the section **► The Sitowise group's reporting according to the EU taxonomy.**

The financial performance is discussed in more detail in the financial statements for 2022 **► Read more**

Sustainability is a major part of the new strategy

Growth in the sustainable development business and the development of sustainability services will continue in 2023 according to the updated strategy of Sitowise. One part of the strategy is expanding our data-based sustainable development services. Similarly, the innovation activities are boosted by the updated strategy and, in the future, goals that promote sustainable development are emphasised in the innovations.

* Client survey respondents assess questions on scale 1-5. Question was asked for the first time in 2022 survey.

GOAL:

Sitowise is the most equitable workplace with the best employee well-being in the industry



As an expert company, for Sitowise, social responsibility primarily means ensuring the well-being of its employees. The sustainability program aims at the further development of employee equity and well-being. To reach this goal, Sitowise is committed to actively improving the well-being of its employees and listening to them. Sitowise is committed to ensuring diversity, equity and inclusion in the company.

WHAT WE DID IN 2022?

First steps with our diversity efforts

In 2022, Sitowise started the efforts to advance Diversity, Equity and Inclusion (DEI) in the company. The work was started with discussions with the Group’s management team and supervisors in order to understand the significance of DEI aspects at Sitowise. In the fall, a survey was conducted for all personnel that covered three areas:

1. company culture
2. fairness and sense of belonging
3. commitment to diversity, equity and inclusion.

The objective of the survey was to gain a better understanding of the current status of Sitowise’s company culture and to identify the key development needs for the coming years. The results of the survey were utilised in the work carried out on further developing the strategy that started in the fall, and DEI aspects have been included in the strategic targets.

The results of the diversity survey were utilised in the work carried out on further developing the strategy that started in the fall, and DEI aspects have been included in the strategic targets.



Maarit, Deputy Head of Department & Minttu, Specialist

Investments in employee well-being continued

Employees’ stress management and recovery were supported in various ways throughout the year. Supervisors received training on well-being management, occupational health services were bolstered, and new practices were developed to support supervisors and teams’ everyday work.

Our measures, which are related to employee well-being and diversity, are comprehensively described in the section

► **Personnel.**

Almost on a commendable level

The progress with the sustainability goal is tracked with a personnel survey, which indicated that the goal of having the best employee well-being is on a good level. In 2022, there was no dedicated indicator for diversity in the work community. However, the Sitowise diversity survey comprehensively determined the baseline.

- The employer supports employee well-being (Personnel survey):

3.98 (2021: 3.98)

From the diversity and inclusion survey to practical measures

In 2023, Sitowise will prepare an action plan based on the results of the employee diversity survey. In the survey, one key area for development involves the trainings, which is addressed by planning trainings for different personnel groups. Employee well-being is supported, for instance, by building learning paths to support well-being on the e-learning platform. Remuneration will be developed further in 2023, and a comparison of the salaries will be carried out.



Juha, Leading Consultant, Andrew, Software Developer & Veera, Structural Engineer



GOAL:

Sitowise will be carbon neutral in 2025



Sitowise's key environmental target is that its operations will reach carbon neutrality by 2025. The objective of minimising the carbon footprint also guides the company towards reducing energy and water consumption, careful sorting of waste, using low-emission modes of travel and transports, and considering sustainability aspects in purchasing.

To reach this goal, the company must systematically reduce its emissions and, if needed, compensate the CO₂ emissions caused by its own operations in 2025, at the latest. The completion of this goal is tracked with an annual calculation of the carbon footprint. Sitowise's carbon footprint was calculated for the first time in 2019, after which the calculation has been developed annually. Since 2021, the carbon footprint has been calculated in accordance with the Greenhouse Gas Protocol (GHG Protocol), which is the most widely used framework for calculating and reporting the annual greenhouse gas emissions of organizations.

WHAT WE DID IN 2022 ?

For the first time, the calculation of the carbon footprint was applied to the entire group, as the baseline data for the calculations was also received from the operations in Sweden. In addition, development needs for the coming years were identified when gathering the baseline data.

In 2021, the carbon footprint comprehensively included, for the first time, the emissions from different functions, such as the electricity consumption of the premises, heating, business trips by car, plane and train, paper consumption and office equipment. The more comprehensive calculation of the carbon footprint enabled identifying the essential actions for reducing the emissions from the company's operations. This led to the review of the guides and policies of functions that have a relevant impact on Sitowise's carbon footprint.

The first area to be updated was the car policy. As a result, only cars with CO₂ emissions of up to 50 g/km are accepted as company cars. Sustainable travel was encouraged by offering public transport and bicycle benefits to Sitowise employees in Finland. A little under 400 persons used the public transport benefit in 2022. The bicycle benefit was introduced in early 2022, and it was used by approximately 140 persons.

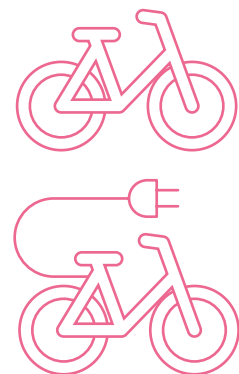
Furthermore, the carbon footprint of two different events organized by Sitowise was analysed. The analyses indicated that many right things have been done to reduce the events' carbon footprint, such as offering only vegetarian food. The event organizing practices will be updated based on these results.

CASE

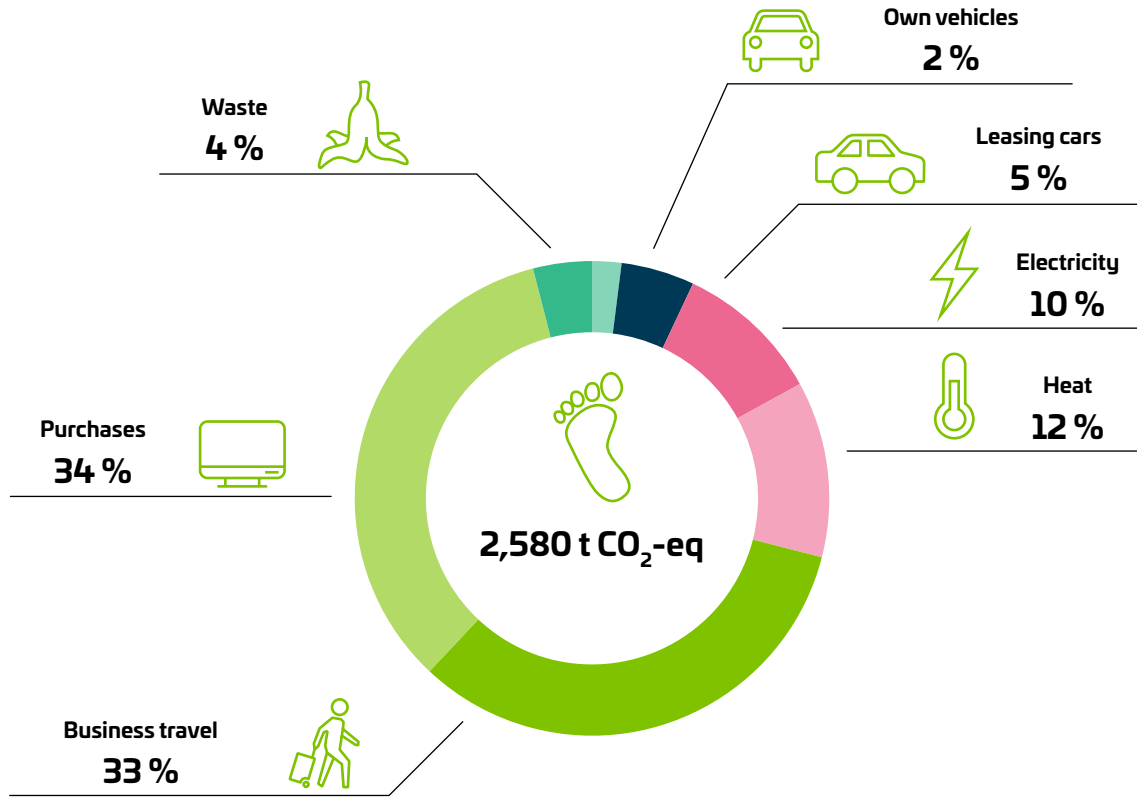
Bicycle benefit for personnel – health, enjoyment and cleaner air

Since early 2022, Sitowise has offered its employees in Finland a bicycle benefit through a partner company. Over the course of the year, more than 140 Sitowise employees utilized the bicycle benefit. "Company bicycle" refers to a benefit offered by the employer which enables the employee to get a new bicycle or e-bike. An employee may also buy a used bicycle and extending the service life of an old bike. Despite the name, the company bicycle can also be used for personal trips.

In fact, it is not necessary to use it for work commuting at all, and a company bicycle can be obtained purely for recreation.



Sitowise’s carbon footprint 2022



Travel and purchases increased Sitowise’s carbon footprint

In 2022, the total emissions of Sitowise’s operations were 2,580 tonnes CO₂-equivalent, with procurement and business travel emissions being the most significant. The emissions for ICT equipment, in particular, stood out in purchasing. Furthermore, Sitowise’s carbon footprint per capita grew slightly: In 2022, the average carbon footprint of one Sitowise employee was 1.16 t CO₂-equivalent, whereas, in 2021, this figure was 1.1 t CO₂-equivalent.

The current carbon footprint is not directly comparable with the 2021 footprint due to company acquisitions and restrictions in the calculation. Furthermore, for some activities, the baseline data has been obtained at a more precise level than in the previous year. However, in comparison with the previous year, emissions increased in nearly all areas in the Finnish operations, resulting in a total growth of 18%. The highest absolute increase, + 52% compared to 2021, was seen in the emissions from business travel as the situation with the COVID-19 pandemic improved. In 2022, there were steadily more procurements than in the previous year, which increased emissions from procurements by approximately 24%.

For more detailed information on the carbon footprint and the assumptions used in the calculation, see the ► **Carbon footprint calculation**.

Future efforts

We still have a lot to do in order to reduce our carbon footprint in the coming years. Updating the guidelines and practices considering the functions that affect the carbon footprint will continue in 2023. We aim to use renewable electricity in all of our locations with particular attention paid to actions that reduce the carbon footprint from IT. The collection of more detailed and consistent emissions data will also be a focus area in system development, for example.



Laivakatu, illustration, option 2

Maximising green street elements in Hernesaari

The importance of green street elements in the urban space has grown, and many city residents wish to see more of them. The City of Helsinki wanted to address residents’ requests in the streets of the Hernesaari district, so Sitowise’s landscape designers set to work. In addition to adding comfort, functional green structures are important for urban runoff management, they decrease the risk of floods and mitigate the heat island effect that occurs in dense urban environments.

The starting points of the planning were the district’s town plan and traffic plan. The objective was to design more visible green elements, secure the diversity of urban nature, improve the air quality and microclimate and create enjoyable urban spaces. The number of green elements was increased by reorganising street functionalities while taking into account the streets’ technical limitations, such as parking, the space required by different forms of traffic, rescue routes and locations, access to lots as well as public utilities. Furthermore, the project

examined the utilisation of urban runoff with plants.

Several different plans were made for three streets that were being constructed and, with all the streets, the designers managed to increase the number of green elements from the baseline situation. In the very urban environment, the amount of green street elements even tripled from the initial situation.

The amount of green street elements even tripled from the initial situation.

This was professionally a very interesting project for the Sitowise team and an important theme. Green street elements are highly valued by residents and, therefore, they should have a more central role in urban planning and construction. The number of visible green

elements can be increased by paying attention to the planning process, need for space, plant species and the utilisation of urban runoff.

Green street elements can be added even with minor actions and by restructuring the street’s functionalities, which was well demonstrated by the project carried out in Hernesaari.



CASE

Sonja, Sustainability Specialist



Sustainability tool defines the sustainability targets in client projects

Sitowise has significant opportunities for reducing the built environment’s impact on the climate and the environment and for improving the industry’s overall sustainability together with its clients. Sitowise’s most impactful sustainability actions are done in client projects. It has been recognised that the industry’s challenges include identifying, measuring and verifying sustainability actions. As a solution, Sitowise introduced a sustainability tool in 2021 which enables identifying the key sustainability aspects project-specifically.

The tool helps you see how the choices made by Sitowise and its clients affect the environment, people and society as well as to better understand the sustainability of the company’s projects. The sustainability tool is used to identify the projects’ most relevant sustainability topics and to record and monitor the measures taken within each project that promote sustainability. The tool can be used together with the client and the results are made available to be used by the clients.

The sustainability tool is part of Sitowise’s digital collaboration platform Voima. Voima makes the sustainability tool part of project management and, thereby, part of each new client project. For now, the tool

is only being used in Finland. The sustainability tool is based on the UN Sustainable Development Goals.

In 86% of the projects started in Finland in 2022, (2021: 43%) the targets were recorded in the sustainability tool. All 17 UN Sustainable Development Goals were furthered in Sitowise projects. In the projects recorded in the sustainability tool, the following UN Sustainable Development Goals were furthered the most:

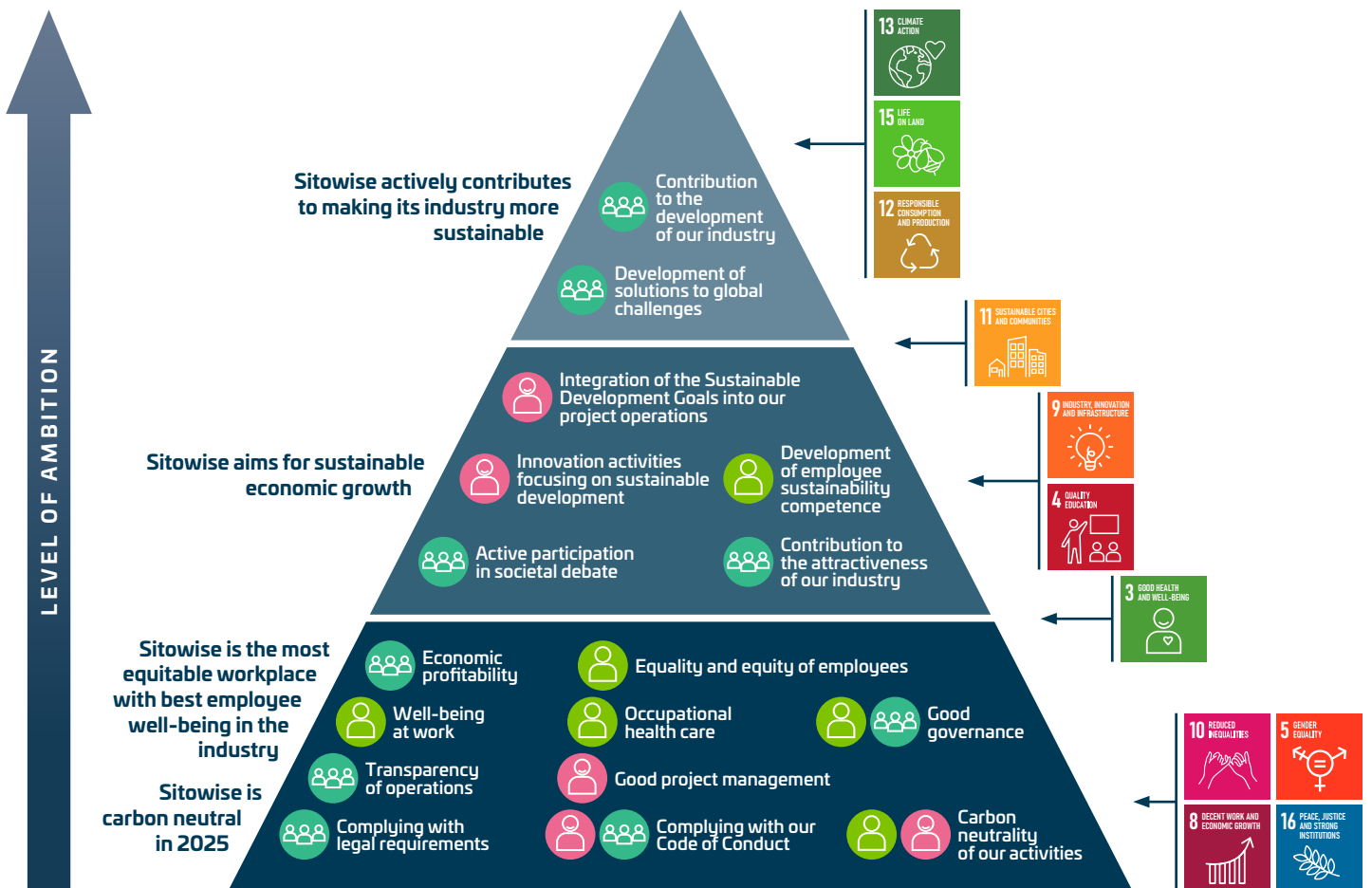
- 36% (2021: 30%) **Sustainable cities and communities.** Agile design based on client needs and robust digital services to ensure sustainable cities in which communities can thrive. For example, a project may involve planning a public transport connection to enable good access to a shopping center.
- 20% (2021: 21%) **Good health and well-being.** Sitowise creates living environments whose cornerstones include supporting the health and well-being of people and nature. For example, a project may include designing building ventilation that ensures the high quality of indoor air.
- 10% (2021: more than 10%) **Climate action.** One starting point for the living environments of the future includes climate change mitigation and adaptation. Through concrete plans and expert

consulting, residents can meet their climate targets and reduce their emissions. For example, a project may cover designing an energy class A building that significantly reduces the carbon footprint from construction and use.

- 10% (2021: more than 10%) **Industry, innovation and infrastructure.** Sitowise helps its clients drive the industry and infrastructure to a more sustainable direction through competent planning, development of innovations and digital solutions. A project may include determining the emissions from traffic and specifying the actions needed for reducing them

SUSTAINABILITY GOALS ARE BASED ON THE INDUSTRY'S CHARACTERISTICS AND STAKEHOLDERS' VIEWS

The essential sustainability aspects of Sitowise operations have been determined through a materiality analysis and shaped into the four primary goals of Sitowise's sustainability program. The materiality analysis examined the trends affecting the company's business, made comparisons with the UN Sustainable Development Agenda and considered the views of the company's employees and clients. The most important sustainability themes were also asked in a personnel survey, and dedicated workshops were arranged for persons involved in client projects and for business functions' management teams in order to identify the key sustainability themes and Sitowise's impact opportunities. The views of the group's Management Team and Board of Directors were heard as well. The discussions considered the company's internal as well as external sustainability requirements. The Board of Directors of Sitowise approved the sustainability program in late 2021.



Result of materiality assessment from the point of view of staff society and clients.

The top of the triangle describes the results of the materiality analysis that require a clear pioneering role. In particular, the analysis identified a need for developing solutions and steering the entire industry in a way that allows for the joint promotion of climate change mitigation and adaptation, stopping biodiversity loss and transitioning to the circular economy. In order to enable this, Sitowise set its own operations the goal of actively contributing to making its industry more sustainable.

The middle level of the materiality analysis emphasises the consideration of sustainable development goals in project activities with the client and the development of employees' sustainability competence. In business development, an essential thing is knowing the client needs, developing new services and engaging in innovation activities that focus on sustainable development solutions. From society's point of view, a key factor is active participation in societal debate. From these starting points, the company's sustainable economic growth was set as the goal.

The sustainability goals and actions **at the base of the pyramid** are essential for Sitowise's operations, and they lay the foundation for the sustainability efforts. Employee well-being, stability from economic profitability, good project operations in compliance with the requirements, emission-free own activities and good corporate governance all lay a solid foundation for the company's business. From these perspectives, Sitowise seeks to make its own operations carbon neutral and establish its position as the most equitable workplace with the best employee well-being in the industry.



As a group manager, I get to do versatile work for energy-efficient and low-carbon built environment. I participate in setting strategic goals for our customers and are responsible for achieving environmental goals of single construction projects. It is great that more often the starting points of different projects are low-carbon goals and environmental classifications. The challenges we solve are mostly multidisciplinary and require cooperation with many parties. The best thing about my job is to be able to promote sustainable construction together with others, and see the other parties of the project getting excited about it as well!

Nicholas Stewart, Group Manager



As the use of land becomes more compact, especially in urban areas, the ecological network becomes fragmented and the opportunities for animal species to move safely between large habitats diminish. This is why it is increasingly important to secure ecological connections in city planning. We at Sitowise have been doing ecological network mappings for a long time, and last year, for example, we produced map-based material for the city of Lohja about the city's green structure, ecological connections and their development needs for environmental and land use planning. I recommend the same to other municipalities and cities!

Sonja Oksman, Senior Specialist



In more than 300 municipalities in Finland, authorities are now thinking feverishly about the most effective ways to mitigate climate change and adapt to its consequences, for example in city planning, in plot allocation terms and land use planning. For the needs of municipalities, we have developed a Sustainability pathway service for regional projects, which gives concrete means to develop sustainable built environment from the starting points of each municipality. In fact, only in few municipalities there is enough know-how and resources to manage the scale of sustainable development as a whole, and it's great that we Sitowise's experts we can help!

Tiina Sahakari, Senior Specialist

SUSTAINABILITY MANAGEMENT

Sustainability efforts at Sitowise are guided by Sitowise’s strategy, sustainability program, Code of Conduct, and industry practices as well as the general principles of social responsibility and the legislation. Sustainability aspects and the progress with the sustainability indicators are regularly discussed in the meetings of Board of Directors, group management team as well as business area management teams. Sitowise’s management system and activities are ISO 9001 and ISO 14001 compliant. Data security is developed according to the ISO 27001 standard.

Sitowise’s sustainability program is applied across the entire company, all operating areas and all subsidiaries. The group makes several acquisitions annually and is rapidly becoming increasingly international. The sustainability program will be implemented at the acquired companies as early as possible.

Sitowise’s Board of Directors approves the essential guidelines concerning sustainability. The CEO has overall responsibility for sustainability. Assisted by the Sustainability Team, the Chief Corporate Responsibility Officer leads and develops sustainability efforts, reports on the goals and achievements to the CEO and, as necessary, provides separate reports on the different areas of sustainability and their progress. Business area directors and supervisors are responsible for the implementation of practical measures in individual business areas. Shared services, i.e. finance, IT, HR, communications, quality, safety, security and

procurement, support the business areas in reaching the sustainability goals.

The progress with the sustainability goals is tracked internally quarterly and on a monthly basis at different levels in the company. The personnel can follow the implementation of the sustainability program and its progress through internal communication channels. Information on the use of the sustainability tool in client projects is available up-to-date.

Sitowise’s sustainability aspects are reported externally with the annual Sustainability Report. Furthermore, sustainability goals are discussed in interim reporting, as necessary.

Information on the use of the sustainability tool in client projects is available up-to-date.



Bogdan, Chief Design Engineer, Ella, Designer & Hima, Designer

The industry develops through collaboration

It is important to engage in active dialogue and understand stakeholder expectations. The company's business areas are primarily responsible for continuous cooperation with clients and partners. At Sitowise, Communications and Marketing, HR, Finance and the Sustainability Team also carry out extensive stakeholder co-operation.

For Sitowise, comprehensive collaboration with higher education institutions is an essential way of collaborating with the industry's future creators. Sitowise's goal is to have students account for 10% of all personnel; the 2022 target was met. This goal has been set to ensure the development of competence at Sitowise and in the industry as a whole as well as to secure the availability of talent in the future.

The company actively participates in the industry's networks and events. The industry networks enable influencing the development of sustainability aspects and sharing ideas with other organizations.

In 2022, Sitowise participated in the following associations and networks, among others:

- Elävät kaupunkikeskustat
- FIBS
- GeoForum Finland
- Global Compact Network Finland
- Green Building Council Finland committees
- Helsinki Region Chamber of Commerce
- ITS Finland
- Finnish Real Estate Management Federation partner network
- RAKLI
- SKOL
- The HVAC Association of Finland, SuLVI
- Sähkösuunnittelijat NSS
- The Centre for Promoting Electrical Engineering and Energy Efficiency, STEK
- Tampere Chamber of Commerce and Industry
- Technology Industries of Finland
- Finnish Constructional Steelwork Association
- Finnish Water Utilities Association (FIWA)
- The Finnish Association of Landscape Industries

The 2030 Agenda and Global Compact link our work to global objectives

The UN 2030 Agenda for Sustainable Development and its Sustainable Development Goals (SDGs) have become a shared reference framework for the international dialogue on sustainability and responsibility. These goals are an integral part of Sitowise's sustainability efforts. Many clients and industry actors are committed to promoting the UN's goals. Sitowise's sustainability tool is also based on this framework. Globally prominent goals link Sitowise's sustainability efforts to the big picture.

The UN Sustainable Development Goals are a part of the world's largest corporate sustainability initiative, the UN Global Compact, which Sitowise joined in 2022. Sitowise is committed to promoting the 10 principles of the UN Global Compact that are related to human rights, labour, environment, and anti-corruption activities. 2023 is Sitowise's first year of reporting according to the Global Compact guidelines.



WE CONSTANTLY FOLLOW THE INDUSTRY TRENDS AND LISTEN TO CLIENTS AND EMPLOYEES’ OPINIONS

Sitowise engages with its stakeholders in many ways. A key role is played by the stakeholder surveys, such as the personnel survey and client survey as well as the reputation and trust survey, which is aimed at the general public. The results are also followed as part of sustainability efforts in order to redirect the actions as necessary.



Results of Stakeholder Surveys in 2022



PERSONNEL SURVEY:

Sustainability aspects are also discussed in projects

3.37

(2021: 3.18 | 2020: 3.13)



PERSONNEL SURVEY:

I know how I can influence sustainability in my work

3.75

(2021: 3.61 | 2020: 3.73)



CLIENT SURVEY:

Are we the most responsible partner

3.47

(2021: 3.5 | 2020: 3.6)



REPUTATION AND TRUST SURVEY:

Sitowise is doing the right thing sustainably – considering society and the environment

3.53

(2021: 3.50 | 2020: 3.48)

STAKEHOLDER EXPECTATIONS ARE MAPPED OUT IN MANY CONTEXTS

Key stakeholders	The most relevant expectations	Interaction	Actions
Clients	Ethical and sustainable activities, quality of services, reliable collaboration	Meetings with clients, active communication with clients, project meetings and communication, fairs and events, annual client satisfaction survey, project surveys, client letters	Code of Conduct, unified tender process, quality assurance, processing of complaints, shared operational model for projects and the Voima platform that enables it, whistleblower system
Personnel	Ethical and responsible activities as an employer, openness and active sharing of information, development of well-being and equity at work, possibility to develop as an expert and specialist	Internal communication channels: intranet, Yammer, Teams, internal newsletter Personnel events: Group management's monthly info and Q&A events, department and team meetings Support for supervisors, monthly supervisor info, monthly supervisor newsletter, continuous support from HR	Performance review process, Code of Conduct and whistleblower system, management system, other guidelines related to work, training, continuous interaction, personnel surveys, support for supervisors at work, shared information security practices and security guidelines, guided onboarding process
Educational institutions and student organizations	Education co-operation, information sharing, training future talent, recruitment, offering traineeships and thesis positions	Teaching and courses at higher education institutions, recruitment fairs and events, student visits, co-operation with student organizations	Contractual cooperation with different higher education institutions, NextGen trainee program, Vision for Competence, thesis pool
Partners and subcontractors	Ethical and responsible collaboration according to the rules and guidelines of each party, high-quality operations, reliability, equal sharing of information	Active stakeholder engagement, project meetings and communication, influencing through industry associations and networks	Agreements, procedures required by the Sitowise Code of Conduct, audit of subcontractors
Shareholders, investors	Financial performance, sustainable activities	Active investor relation communication in accordance with the laws and regulations	Operations development in line with the strategy, practical implementation of the Code of Conduct, interim and annual reporting

SPONSORSHIPS AND DONATIONS

The key goal of Sitowise's sponsorships and donations is to take concrete action and be an active responsible actor in society. Like our partners, the parties that receive sponsorships or donations must support Sitowise's vision and promote the construction of a shared sustainable future.

In 2022, Sitowise's student and university collaboration included sponsored messages at universities and purchasing advertisements in overalls worn by students. Furthermore, Sitowise made a donation to the Finnish Red Cross Disaster Relief Fund in the spring following the Russian invasion of Ukraine. The money allocated for Christmas gifts was donated to charities chosen by Sitowise employees: to Ukrainian families with children via Save the Children and for the promotion of mental health by MIELI Mental Health Finland

As a result of the integration of the business functions in Sweden, our next year's reporting will include information on our Swedish functions' stakeholder engagement, sponsorship and donations.



Jouni, Leading Specialist



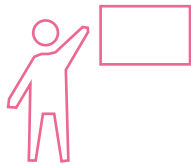
Vision for Competence: higher education institutions x Sitowise

Vision for Competence is a collaboration forum that predicts and develops the industry's future competence. Another goal is to deepen the collaboration between Sitowise and higher education institutions and to find models of working together. The Vision for Competence forum convenes twice a year. Each meeting will have a topical theme around which the discussions and program are built on. The time between the meetings allows collaboration to develop and find new pathways.

Forum invitees include Sitowise's contacts from the educational world, but the doors are kept open for everyone who is involved in the development of the built environment. Vision for Competence is aimed at the personnel of Finnish higher education institutions, such as rectors, heads of development, lecturers, community leaders and others interested in the

competence of the future. Occasionally, students are also invited. A number of experts from Sitowise are involved in the forum.

In 2022, the Vision for Competence's themes were data & the circular economy and energy

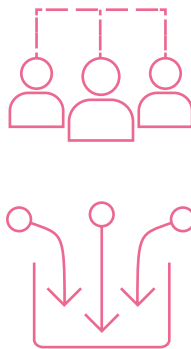




The Sitowise thesis pool brings together theses and students

The objective of the thesis pool is to create connections between students and personnel of Finnish higher education institutions and Sitowise personnel. The purpose is to create relevant and interesting thesis topics that enable developing shared competence as well as the entire industry. The platform enables submitting ideas for further discussion and examining the ideas submitted to the thesis pool. There have already been successes: One idea by a Sitowise structural engineering expert piqued the interest of a student who had been looking for a suitable topic. After making some adjustments together, the thesis is now under way.

The thesis pool is open for all students and personnel of Finnish higher education institutions. They get to sign into the pool with their organization’s email address. The pool enables reaching out to Sitowise’s couple of thousand experts.





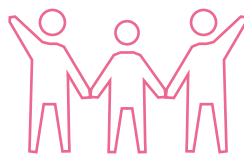
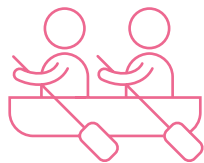
CASE

NextGen grows new experts for the future

NextGen is Sitowise’s trainee program aimed at students with different backgrounds around Finland. The trainee program includes working in actual projects under guidance by Sitowise employees as well as work life coaching that helps students direct their competence development in the direction they want. NextGen is mutually beneficial for competence: the students get to grow their expertise and Sitowise employees get to enjoy fresh perspectives.

NextGen brings newcomers to Sitowise for summer jobs as well as for traineeships that are part of the studies. Sitowise strives to provide as many NextGen participants as possible with an opportunity to continue working at Sitowise one way or another after their trainee period. In 2022, Sitowise had a total of 68 NextGen trainees.

The program is continuously developed based on the feedback received from the students and business functions. The next step is to strengthen the NextGen trainees’ sense of belonging. Furthermore, the trainee program will switch to English.



Personnel

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The Sitowise team – unique people that matter

// 2022 was a great year for our personnel. We want to be the industry’s best workplace, and Sitowise employees’ satisfaction remained on a good level and even improved slightly (2022: 3.98/5, 2021: 3.92/5). We live by our values every day: We are brave, we are open, we trust each other, we work as one team and we know our clients.

We continued growing the number of personnel and welcomed brilliant new experts as our colleagues through acquisitions and organic growth. One in four of all personnel at the end of the year had started at our company in 2022. In accordance with our strategy, Sitowise continued growing in the Nordic countries, and we advanced with the integration of our Swedish colleagues into our operations.

We continued with our NextGen trainee program with the aim of growing the next generation of designers, coders and other professionals. We had a record number of trainees, up to 68 persons, and each of them got to do actual, meaningful work in client projects alongside experienced Sitowise employees. We focus

on our employees’ continuous development. For example, we launched a career guidance program that helps our experts build an enjoyable career according to their preferences.

After several years of working from home, it was nice to return to the offices. Our employees primarily work in hybrid roles, combining remote work and work at the office, which enables flexibility and efficiency for both the company and personnel. Sitowise Fest in May was an amazing event in which we got to meet most of our colleagues. The celebration was a great opportunity to spend time together, enjoy good food and drinks as well as meet each other after the couple of years’ break.

In 2022, we conducted a dedicated diversity survey, and one of our strong priorities is ensuring that we are the most equitable workplace with the best employee well-being in the industry. The results will help us build Sitowise into an even better workplace in which everyone can be who they are and thrive as part of their team. 2022 was full of achievements and new opportunities, and we cannot wait to see what the future brings.

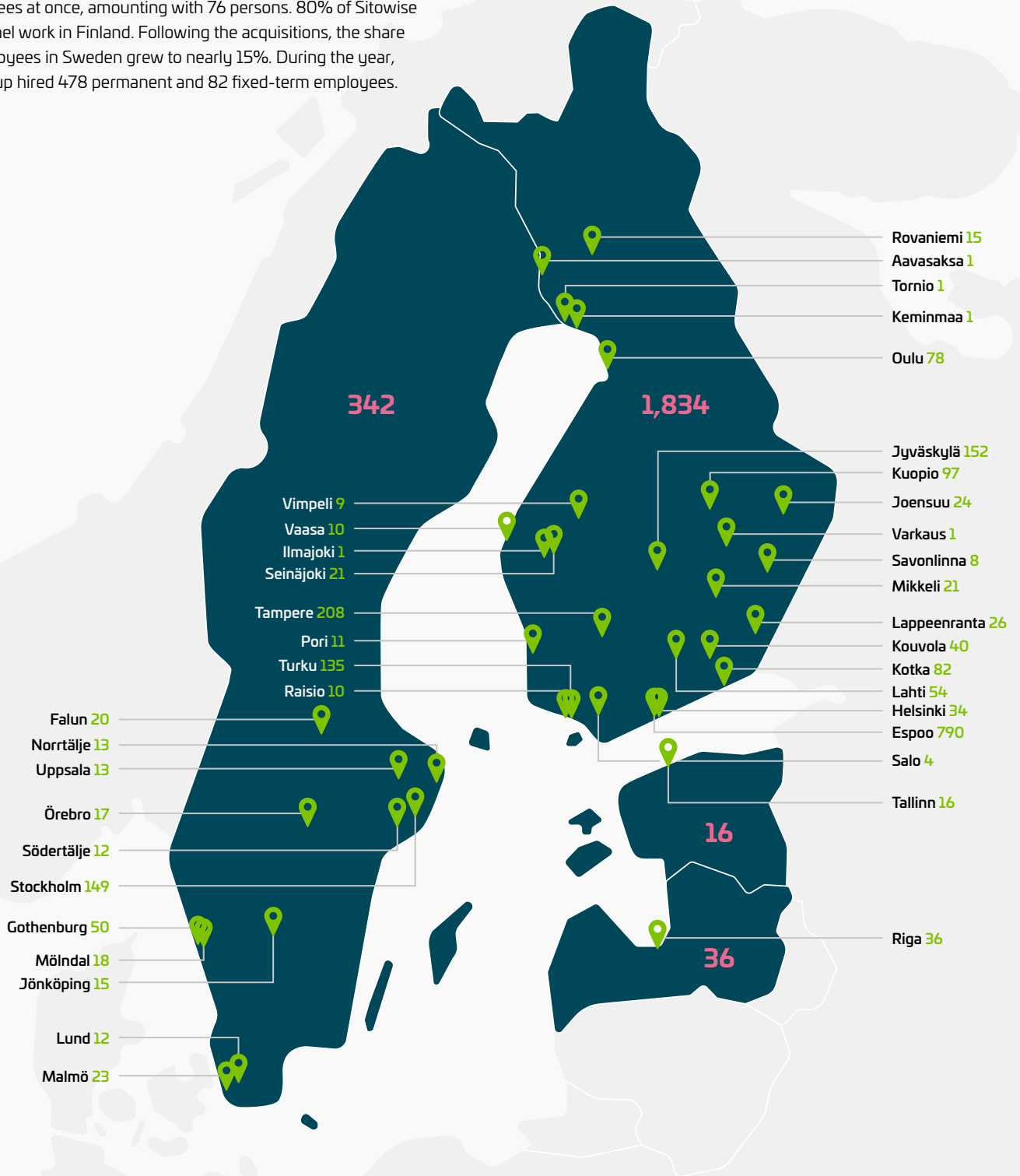
Taija Lehtola, Chief Human Resources Officer



We continued growing the number of personnel and welcomed brilliant new experts as our colleagues through acquisitions and organic growth.

Sitowise personnel in figures

The amount of Sitowise employees grew in 2022 by a total of 198 experts* and we employed 2,232 people by the end of the year. The acquisition of Bitcomp brought in the largest group of new employees at once, amounting with 76 persons. 80% of Sitowise personnel work in Finland. Following the acquisitions, the share of employees in Sweden grew to nearly 15%. During the year, the group hired 478 permanent and 82 fixed-term employees.



* The figure includes new employment contracts + acquisitions minus all terminated contracts. The number of employees data as of 31 Dec 2022. Data from 2021 in brackets as of 31 Dec 2021. Average number of employees 2,151 (2021 :1,969).

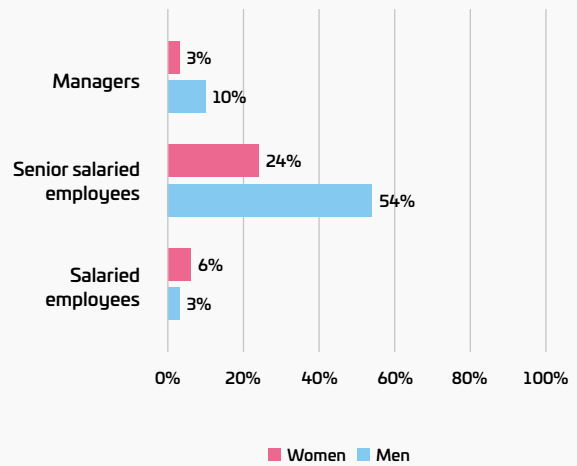
In addition altogether 4 of Sitowise's employees works in Spain and Portugal.

At Sitowise, we believe that employee diversity is one of the keys to a good work community. The diversity of the personnel also ensures that we know how to plan responsible and sustainable cities suitable for everyone. Currently, companies report e.g. information about the gender distribution of the personnel to various authorities, which do not recognize a third gender due to the current legislation. The information on these pages is reported in accordance with those requirements.

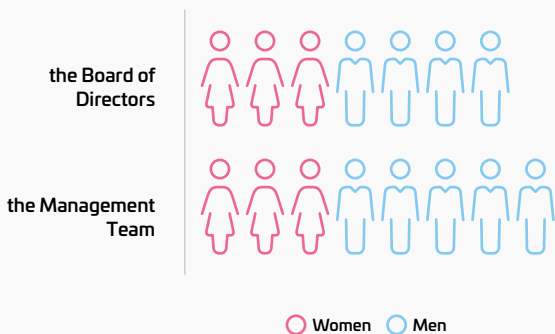
Personnel by country and gender in 2022
(2021 in brackets)

Country	Men	Women
Finland	1,226	608
Sweden	237	105
Latvia	16	20
Estonia	9	7
Portugal	2	1
Spain	-	1
Total	1,490 (1 334)	742 (700)
Total of employees	2,232 (2,034)	

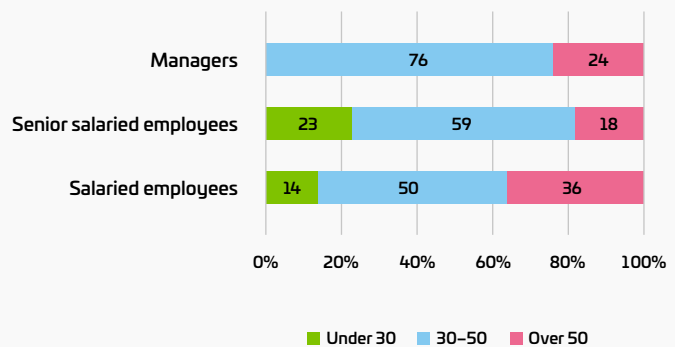
Share of men and women in different personnel groups (%)



Share of men and women



Age distribution in personnel groups (%)



EMPLOYEE TURNOVER

According to the company's values, the responsibility as an employer is, in all respects, based on mutual respect and appreciation, openness and close collaboration between all personnel. These values lay the foundation for influencing employee turnover. In 2022, Sitowise signed 560 new employment contracts, with 344 contracts ending. At the group level, employee turnover grew slightly from the previous year, amounting to 16.9% in 2022 (15.5%). The increase is in line with the labour market situation in Finland and Sweden.

Personnel by type of employment contract 2022

(2011 in brackets)

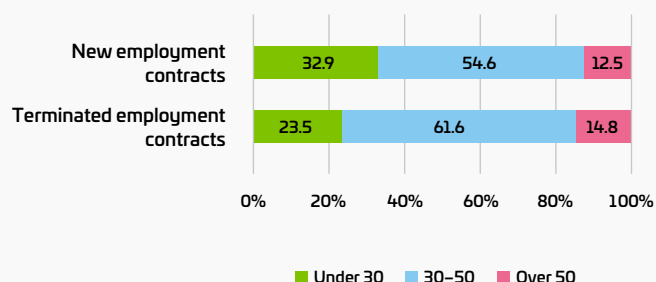
	Men		Women		Total	
Permanent contracts	64%	(63%)	32%	(33%)	96%	(96%)
Fixed-term contracts	3%	(3%)	1%	(1%)	4%	(4%)
Variable working hours contract (hourly wage)	6%	(6%)	2%	(2%)	8%	(9%)
Full-time contracts	58%	(56%)	28%	(29%)	86%	(85%)
Part-time contracts	3%	(3%)	3%	(3%)	7%	(6%)

Type of employment contract by country

(2011 in brackets)

By country	Finland		Sweden		Other countries		Total	
Employee number	1,834	(1,696)	342	(279)	56	(59)	2,232	(2,034)
Permanent contracts	1,756	(1,620)	330	(276)	56	(59)	2,142	(1,955)
Fixed-term contracts	78	(76)	12	(3)	0	(0)	90	(79)
Variable working hours contract (hourly wage)	165	(163)	8	(10)	0	(0)	173	(173)
Full-time contracts	1,529	(1,417)	328	(264)	54	(57)	1,911	(1,738)
Part-time contracts	140	(116)	6	(5)	2	(2)	148	(123)

New and terminated employment contracts, age structure (%)



New and terminated employment contracts

	Finland	Sweden	Other countries *
New employment contracts, number of employees			
Women	128	28	1
Men	306	94	3
Terminated employment contracts, number of employees			
Women	89	16	2
Men	196	36	5
Total employee turnover **	16%	17%	12%

* Includes Latvia, Portugal, Spain and Estonia

** Does not include retirement due to old-age

A healthy work community and good supervisor work support well-being

The purposeful management of Sitowise employees' well-being and working capacity aims at proactively supporting their health and well-being. A healthy work community and coaching supervisor work support employee well-being and stress management. The Sitowise supervisors receive coaching on considering and encountering all team members as individuals, taking into account their different life situations, characteristics and needs for leadership. Among other things, the supervisors' tools include the early support model, performance reviews and annual team development workshops on themes identified in personnel surveys.

CLOSE COLLABORATION WITH OCCUPATIONAL HEALTH CARE TO SUPPORT WORKING CAPACITY

At Sitowise, the safe and healthy working environment is systematically managed according to action plans prepared by occupational health and safety. Throughout Sitowise, employees' working capacity is supported through comprehensive occupational health care services. In addition to statutory occupational health care services, Sitowise employees have access to a broad network of occupational health care experts and are covered by a comprehensive accident insurance policy.

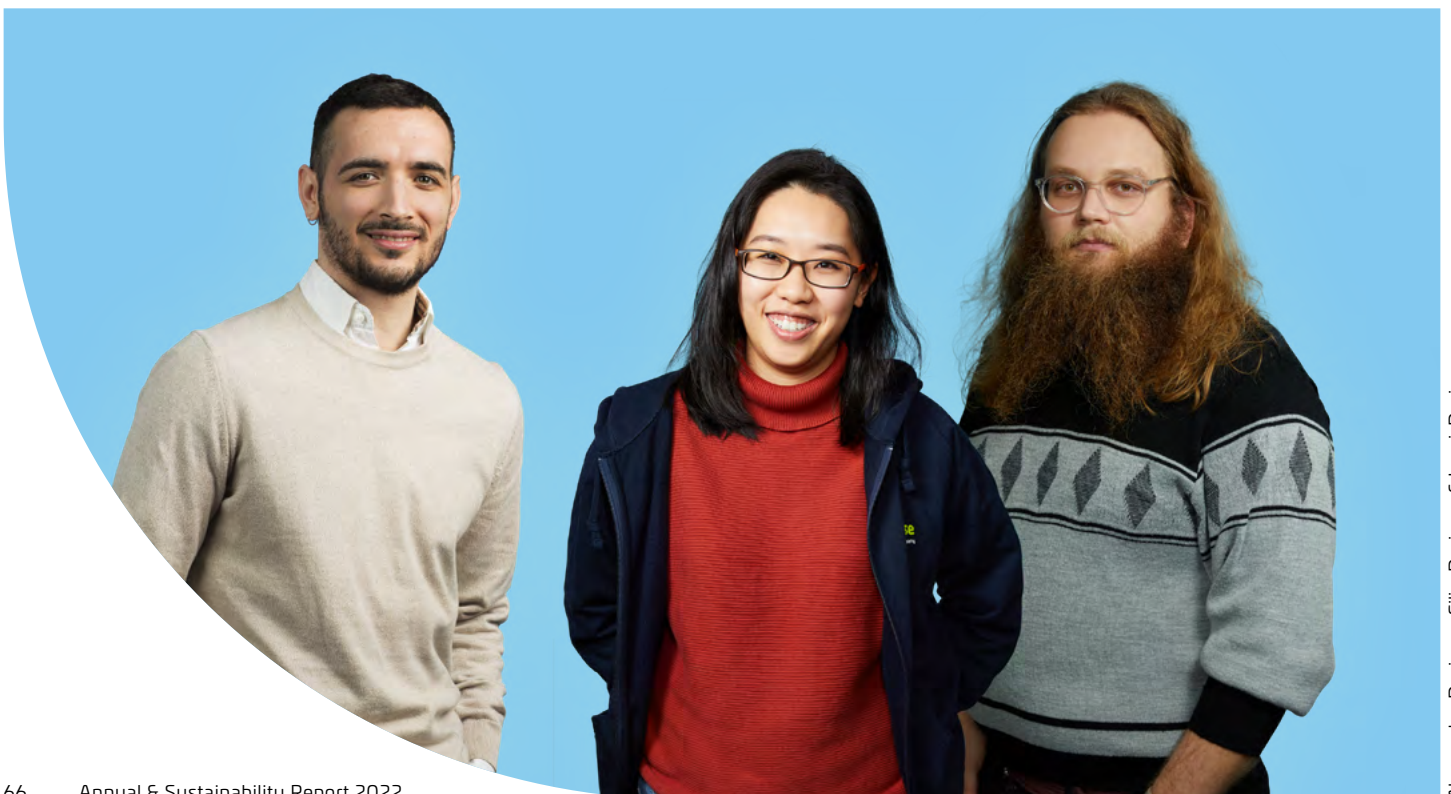
The occupational health care action plan is updated annually, and it especially considers the stress management issues that pose a challenge in expert work. There is regular discussion about the action plan, and the development of the work community in general, with an occupational health and safety committee comprising personnel members.

Sitowise works in close cooperation with occupational health professionals who are actively organising work capacity negotiations with a low threshold. Negotiations are organized especially after longer sickness absences, together with the supervisor, employee and HR. In the negotiations, matters related to returning to work are discussed and agreed together. The aim is to ensure that the work supports the employee's well-being.

SERVICES SUPPORTING OVERALL WELL-BEING

In expert work, the challenges of mental well-being and coping are recognised as a factor that challenges the ability to work. In addition to the services of an occupational health psychologist, Auntie, a completely anonymous, low-threshold psychological conversation support service separate from the occupational health service, was introduced in Finland experimentally. Through this service, any Sitowise employee can also seek help through conversations on problems outside of work that challenge their well-being.

After the pandemic, we at Sitowise have enjoyed the opportunity to meet each other. Sitowise supports exercise and excursion events organized together by the personnel in their spare time. In 2022, various groups of employees have participated in running, cycling, orienteering, yoga, hiking and other similar events. In addition, all employees in Finland can enjoy the Epassi sports and culture benefit. Exercise during the working day is supported with the help of break exercise programs installed on the work computer.



Alessandro, Designer, Silin, Designer & Lauri, Designer



The eNPS indicator*, which indicates employees' willingness to recommend the company as an employer, has risen from the previous years. Similarly, the development has continued with the average score for questions concerning supervisor work as well as the average for all questions. In 2021 and 2022, the survey included the personnel in Sweden.

Great results and developments

The annual personnel survey highlighted Sitowise employees' strong experience of fair and equitable treatment. This experience has been strong before, but now it has strengthened even further. Another thing that stood out was understanding client needs. We have worked hard on this in projects, sales and keeping in touch with clients. It is something that clients are sure to see through successful projects and competent client service.

Employee well-being was raised as a concern in the two previous surveys. We have taken the matter seriously and implemented various measures in order to support employees' stress management and recovery.

The most important actions have been taken at the team level through joint improvements by supervisors and teams. Various actions have been taken at the company level as well: We have trained supervisors on managing well-being, strengthened well-being by expanding occupational health care services, working in closer collaboration and improving the practices that support everyday work. It is clear that special attention will need to be paid to stress and recovery in the future, but we are heading in the right direction.

The amount of sick leave absences was 3.3% at the end of the year (cumulative % January-December), which is slightly higher than in the previous year

(2.3%). This figure was particularly increased by brief absences due to seasonal illnesses and absences due to COVID-19. The amount of long absences has clearly decreased versus the previous year.

* Employee Net Promoter Score (eNPS) indicates employees' willingness to recommend their company as a good workplace to their friends or colleagues. eNPS is a value between -100 and 100, with a score of 0 meaning good, +20 very good and +50 excellent results.

SAFETY IS PROACTIVITY AND FUNCTIONAL PROCESSES

Personnel safety is of the utmost importance to Sitowise, and its operations always follow good safety practices. Many people at Sitowise work in jobs where special attention must be paid to occupational safety. During onboarding basic occupational safety issues concerning the entire personnel are gone through with each employee. In addition, depending on the job, employees complete occupational safety training, records on the validity of which are maintained in the personnel system.

A psychologically safe work environment is strengthened by fair and humane supervisory work. In addition, various webinars related to well-being, e.g. own time use and self-management, are available for employees to support a good and balanced working life.

A group-wide hazard assessment was done at Sitowise in 2022. Plans for local hazard assessment have been initiated.

In 2022, there were 12 accidents at work in Finland and 1 in Sweden. Each accident is handled separately.

EVERYONE MUST FEEL SAFE AT WORK

Sitowise emphasises that any kind of inappropriate behaviour and discrimination is not allowed and must be addressed immediately. The guidelines for intervening in inappropriate behaviour were updated in 2022 and communicated to all personnel in Finland. Common guidelines for Sweden will be available during 2023. In accordance with the guidelines, a person faced with inappropriate behaviour can ask for support in the situation from a supervisor, personnel administration, a trade union representative or occupational health and safety representatives. Inappropriate behaviour can also be reported anonymously through the Whistleblower channel.

In 2022, Sitowise conducted a separate diversity survey, which received replies from 58% of the company’s employees. Overall, the answers were quite positive, and questions related to company culture received the most positive average of 4.1 (on a scale of 1 to 5). Through the survey, a better understanding of the current state of company culture was gained, on the basis of which it will be easier to measure development in the future. In addition, the answers brought concrete suggestions for increasing diversity, equity and inclusiveness at Sitowise.

Sitowise employees gave a rating of 4.13 when they were asked whether “Everyone is treated equally at my workplace”.*

* Personnel survey 2022, average answer on a scale of 1 to 5 (2021: 3.99).



Lina, Designer & Hans, Project Manager

CASE



DEI work on a journey of change

To be able to change and build a better working life for everyone, we need a new understanding and also new terms to describe the ever-changing world. Although, for example, any new terms may seem difficult at first, nothing would really change without new words and new language, says DEI consultant Iina Salminen from the expert agency deidei.

DEI is short for Diversity, Equity and Inclusion. Diversity means differences between people. Cognitive diversity, i.e. how we solve problems and handle learning and thinking, is an essential part of diversity.

Inclusion, on the other hand, refers to conscious and active actions aimed at ensuring that our differences are understood and that we do not unintentionally exclude anyone from the community or team. Through equity, we want to identify all the obstacles that may put people in unequal situations in working life as well as to actively develop the organization's processes and practices so that everyone has equitable opportunities to reach their own potential and advance in their careers, for example.

At Sitowise, inclusivity is essential when planning better and more functional environments and cities for diverse groups of people. There was a clear willingness to invest in strengthening DEI work.

“ We want to show that we are strongly committed to the development of employee equity, which is why it has also been selected as one of the main goals of our sustainability program, Sitowise’s sustainability specialist Sonja Gustafsson says.

– Sitowise is in fact a good example of how companies can have natural connections to DEI work. An understanding of DEI themes and the diverse teams have great potential to help Sitowise do its work even better and in a way that is inclusive, by serving the needs of all residents. The opposite of an inclusive planning process would be a project where groups of people would be left out of the process unintentionally or consciously, and their needs would not be taken into account when building the city or the habitat. This, by contrast, weakens the functionality of built environments, says Salminen.

At Sitowise, the DEI work was started with the help of a diversity survey completed by the employees. The goal of the survey was to increase the understanding of the organization's current situation, strengths and needs for development and thereby to bring data for supporting decision-making.

– It is hard to start planning further measures or set directions and goals without knowing what people would like us to fix. We should not accidentally start tampering with something that is already in order. Through the diversity survey and the increased understanding, it brings, we have better tools for setting both short-term and long-term goals and creating indicators to track progress. This is why the survey is important, Sonja Gustafsson says.

CAREER DEVELOPMENT IS SUPPORTED WITH COMPETENCE DEVELOPMENT CONCEPTS



Nextgen trainee program



Orientation process



Supervisor trainings



Annual training plan



Internal training opportunities (online courses and webinars)



Swuunta model discussions and development path



Mentoring program



Career guidance



Growth path models

Every year, a large number of trainees from throughout Finland participate in Sitowise’s NextGen trainee program, and an increasing number of them continues to work permanently at Sitowise. All Sitowise employees are familiarised with the work community and work tasks in a three-month orientation program, which is carried out by supervisors.

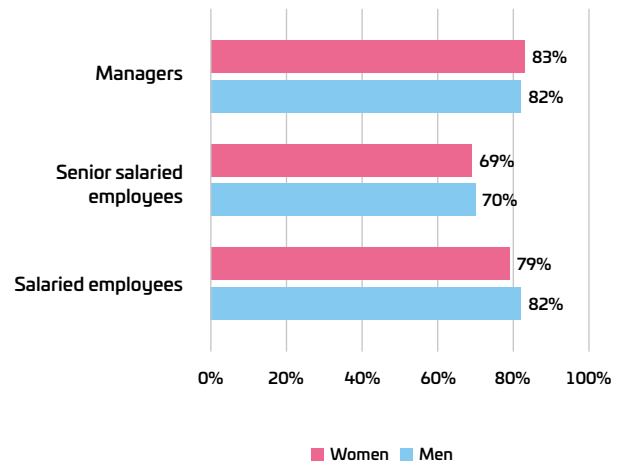
It is important to maintain the skills of the supervisors and stay up to date with changes in the work environment. Their competence is maintained by offering internal training opportunities on various topics, not forgetting labour legislation. The internal, monthly Supervisor Information Events are also an important information channel; they always cover the most current topics.

Annual training plans are drawn up separately for different personnel groups. In the training planning, the groups are the entire personnel, project personnel, project managers and supervisors. All personnel groups are offered a comprehensive range of internal training. In recent years, internal trainings have mainly shifted to online trainings, which has been of great importance for their accessibility.

To support the development of skills, the Career Management concept was also launched in 2022, which includes our updated development discussions, a career path model and growth path models, all of which offer support for career development and planning. The career development of Sitowise employees will also be supported with the help of the Mentoring Program and Career Guidance Coaching, both of which started in 2022.

More than 70% of Finnish personnel had a development or results discussion last year. Reasons for not having the discussion was e.g. a long absence, short-term employment, retirement and the recent start of the employment relationship.

Completed development discussions by personnel groups (%)



REMUNERATION AND BENEFITS AIMS TO INCREASE MOTIVATION AND WELL-BEING FOR THE EMPLOYEES

Remuneration is based on following principles: encouraging employees to reach targets, fairness and increasing the commitment of personnel. Sitowise's remuneration package consists of the following areas: monetary remuneration, employee benefits, organizational culture and management and growth and development opportunities.

As a rule, the benefits offered by Sitowise are available to all personnel members. There are differences in country-specific benefits. In Finland, as legally mandated, all of Sitowise's personnel are insured against work and commuting accidents and occupational illnesses. In addition to this, we offer Finnish personnel the following benefits:

- general practitioner-level medical treatment at occupational health care
- specialist-level medical treatment through ability-to-work insurance (6 months after employment)
- leisure-time accident insurance
- lunch or lunch benefit organized and supported by the employer
- sports, culture and wellness benefits and other recreational activities
- commuting benefit
- bicycle benefit
- care service for a sick child
- car benefit
- phone benefit

In addition, as a personnel benefit, flexibilities related to working hours are used, such as flexible working hours; the possibility of remote work under certain conditions; and also individual working time flexibilities, if necessary. When people are on long absences, such as during an unpaid period of family leave, personnel benefits are generally not available.

ONE-TIME BONUSES AND PERFORMANCE BONUS AND OPTION SYSTEMS AS ADDITIONAL INCENTIVES

The annual *performance bonus system* includes all personnel under certain conditions. The performance bonus system is a form of financial remuneration introduced and changed by decision of the company's Board of Directors. The payment and amount of which is based on the performance bonus targets is set once a year. The remuneration model and targets depend on the person's job and role, and in the case of supervisors also the size of their area of responsibility.

The *long-term bonus system* is an option system aimed at key personnel. Joining the option system requires ownership of Sitowise shares. The person must demonstrate a solid will to contribute to Sitowise's development with their achievements and attitude and be committed to Sitowise's goals.

As an immediate acknowledgement for an exceptional success, a person can be given a one-time bonus.

REMUNERATION OF THE BOARD OF DIRECTORS AND CEO

The objectives, principles and guidelines for the remuneration of Sitowise's CEO and Board of Directors are defined in the remuneration policy approved by the general meeting. The remuneration of the Chair, Vice-Chair and members of the Board must be a fair reflection of the responsibility of each role and the workload and qualifications required by the role.

In principle, the same remuneration principles and practices apply to the remuneration of the CEO as to employees regarding pension and fringe benefits, for example.

Sitowise's Board of Directors decides the remuneration of CEO's and conditions within the framework of the remuneration policy. The Personnel Committee evaluates the appropriateness of the CEO's remuneration. The CEO's remuneration consists of a fixed monthly salary, the usual fringe benefits and the short- and long-term incentive programs valid at any given time. The CEO is covered by the Finnish statutory occupational pension system. The CEO may also have an additional pension benefit.

The purpose of the short-term incentive system is to guide the CEO to achieve the company's short-term financial and operational goals and thus support the realisation of the company's strategy in the short term. The Board defines the year-level performance criteria annually that form the basis of the remuneration. According to the Board's decision, one goal must be related to sustainability and its promotion in the group. The purpose of the long-term incentive system is to reward the creation of long-term shareholder value and the achievement of the set strategic and financial goals. In addition, the purpose is to commit the CEO to the company, combine the CEO's and shareholders' goals and increase the CEO's ownership in Sitowise.

The table below shows the development of the CEO's total remuneration compared to the development of the average remuneration of the group's employees and the group's financial development for the previous five years.

Development of remuneration, 2018–2022

EUR, thousands	2022	2021	2020	2019	2018
Total remuneration of CEO *)	412	483	329	457	204
Average remuneration of Sitowise employees **)	53	52	51	48	48

*) The figures are payment-based and do not include social and pension costs. The 2022 and 2019 figures include the salaries of two CEOs from the term of each.

***) Total personnel costs of the group without social and pension costs divided by the average person-year.

Remuneration policy, 2022 remuneration report and other information on remuneration on our website: ► [Read more](#)

A TRUSTWORTHY EMPLOYER

Sitowise fulfils all its employer obligations and wants to be known as a reputable and reliable employer. The company follows the legally mandated wage payment principles and respects the personnel’s freedom of association.

94% of Finnish personnel are covered by a collective agreement. For Sweden, the corresponding figure is 8%. In Sweden, the aim is to have the personnel covered by the collective agreement during 2023. Local legislation is applied in other countries where the company operates.

FAMILY LEAVE ENABLES COMBINING WORK AND FAMILY LIFE

In Finland, all personnel are entitled to family leave in accordance with the law revised in 2022. The reform enables family leave to be used more evenly among parents. At Sitowise, we want to support personnel by encouraging them to take advantage of family leave. In Finland, training was organized for supervisors in fall 2022 regarding the supervisor’s role in building a family-friendly work community. An open webinar was held for the personnel about the opportunities offered by the new law and support for reconciling work and family.

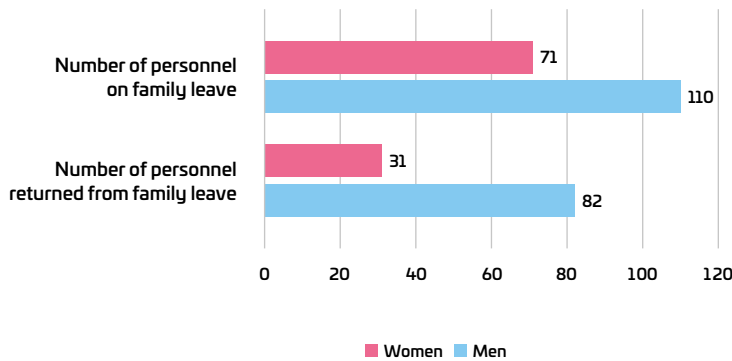
PENSION ARRANGEMENTS IN ACCORDANCE WITH THE LOCAL LAWS AND PRACTICES

In Finland and in Sweden of Sitowise’s personnel are covered by statutory pension insurance, and pension coverage is provided through pension insurance companies. In other countries, pension arrangements are made according to the local regulations and practice.

From Sitowise 15 employees started their old-age pension. Of these, 8 were men and 7 women. The average retirement age in 2022 was 64.5. Four persons, all men, continued their employment after retirement. No personnel of Sitowise Finland personnel retired on full-time disability pension in 2022. A total of five people worked on partial disability pension and rehabilitation support provided by the insurance company.

For employees in the later stages of their working careers, webinars are offered every year related to pension matters, well-being at work and maintaining vigour at work. In addition, the annual development discussions have a separate section for experts at the end of their career.

Family leave statistics on Finnish personnel (2022)



Return to work rate
97%

Sitowise wants to be known as a reputable and reliable employer. We want to support personnel by encouraging them to take advantage of family leave.

CASE



Felix, Application Developer

I want meaningful work that leaves a tangible mark

A decade in the gaming world made me yearn for more meaningful work, and that is exactly what the built environment offers. An application developer can also leave a tangible handprint, says application developer Felix Westphal.

I am fairly new at Sitowise, but I have a decade of experience in the gaming world. I was involved in creating Angry Birds for Rovio, for example. Producing entertainment is a nice job, but gradually I began to want more meaning in my work. A few years ago, I switched to making learning games and then learning environments. You can learn by gaming too.

At Sitowise, I have the opportunity to influence society even more actively. Climate change, carbon neutrality and the whole theme of sustainability are of great interest to me. With my work, I want to leave a more physical mark than a digital product. In digital projects on the built environment, I can use my technical skills to improve really tangible things.

Digital twins make use of game software

My first projects at Sitowise have been related to the designing of map applications. I like to work in the background and do the groundwork, thanks to which socially important structures, such as urban infrastructure, can be made to work efficiently in the cloud. The user of the service may not notice that anything has changed, even if things are done in a new way.

My dream is to make application development even more agile, so that setting up and modifying services is even faster for our clients. I am a visual person and, therefore, particularly interested in 3D modelling and digital twins of the built environment. I also have a lot to contribute to these because the game software I am familiar with is used to create the digital twins.

Different data sources can be visualised in the 3D world, which helps to see, test and simulate many things in advance already at the planning stage. Digital twins increase understanding and produce better quality. For home buyers, for example,

quality can be seen in the building's energy efficiency, durable materials and good indoor air. Indoor conditions can already be controlled and adjusted digitally with the help of various cloud services.

More discussion about the energy consumption of digital services

Cloud services and other digital solutions can save energy and other resources – at least in theory. However, the energy consumption of only a few cloud services has been calculated, and I would like there to be more discussion on the topic. For example, servers are often added carelessly because it is so easy to do just by pressing a button.

Alongside the costs of digital services, I think it would be important to think about their sustainability aspects too, such as energy consumption. It will inevitably increase if, for example, the number of servers is increased. Correctly coded software is not only high-performance, but also precisely optimised. When the code performs its task efficiently, it also uses less energy.

Felix Westphal, Application Developer



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Investment in it systems and data security

// In information management, we aim to make the daily work of people at Sitowise as easy and smooth as possible. We also want the investment in functioning IT systems to be visible all the way to the client. One of the themes of continuous development is data security, for which a significant milestone was reached in 2022 when our data security management system was certified as meeting the requirements of the ISO 27001 information security standard. Data security is one of the most critical elements for securing the operating environment, but we also recognise that it creates new business opportunities. The integration of the Swedish operations into Sitowise’s common IT systems was well under way by the end of the year. The fact that everything at Sitowise will operate on the same IT platform in the future will speed up and facilitate everyone’s work and enable synergy in the development of functionalities.

The features of Sitowise’s digital platform, Voima, were actively developed during 2022. One of the significant development steps of the year is related to artificial intelligence; in the future, through Voima, we can also offer services that make planning work more efficient. Voima’s new Newsroom product, on the other hand, serves as Sitowise’s versatile internal communication platform throughout the group. As the company grows, it also serves integration communications.

In the coming years, the development themes will continue to be largely the same, the spearheads being Voima and the fulfilment of the promise to be ‘the most responsible partner’, which requires continuous investment in data security, among other things.

Turo Tinkanen, Chief Information Officer



The features of Sitowise’s digital platform, Voima, were actively developed during 2022. We want the investment in functioning IT systems to be visible all the way to the client.

THE VOIMA PLATFORM IS DEVELOPING STEP BY STEP

The project management tools in Voima continued to develop during the year. One of the year’s significant development steps is the progression of AI-related processes from experiments to production: at Sitowise, planning work is streamlined by utilising data related to delimited substantial expertise with the help of artificial intelligence. Voima is thus expanding from project management to utilising artificial intelligence in planning work. The accumulated usage statistics have also been used more efficiently during the year, for example in the implementation of the Sustainability Tool.

With respect to Voima, development investment was also allocated to the development of a new intranet. Included in the new intranet is Sitowise’s internal Newsroom, which was taken into use in Finnish operations in November.

Moving the Swedish operations into the scope of the group’s common Nordic IT platform will enable the expansion of Voima tools to Sweden too in the future. The development of Voima continues actively in close cooperation with the business areas.

MODERN SYSTEMS FOR MANAGING BUSINESS PROCESSES

The reform of operational management and financial systems in Finland also progressed. The project will replace all core business systems from sales to invoicing with a new modern IT system. The reform will be implemented in stages, first in the operations in Finland, after which the schedule for the introduction of the IT system package will also be evaluated for the operations in Sweden.

The accounting of Sitowise’s operations in Finland has been implemented in the new Unit4 system since May 2021. During the year, preparations were made for the next development step, which will expand the use of Unit4 to other financial and project management functions. Salesforce’s CRM client management system will also be introduced alongside Unit4 to support sales and marketing. Voima, Unit4 and Salesforce form the core of the Sitowise system package, which is much more than the sum of its parts.

SECURITY IS THE FOUNDATION OF ALL OPERATIONS

Taking care of safety and data security embodies Sitowise’s sustainable way of working and is an essential part of implementing risk management. As a significant development step during 2022, our data security management system was externally evaluated in relation to the ISO 27001 standard, and Sitowise Finland’s management system was awarded ISO 27001 certification in December 2022. It is the most recognised international standard in the field, and it is rare in the field of planning and consulting for the built environment.

During 2022, the security environment became more critical than before due to the state of the world and safeguarding our daily work and improving responsiveness are now even more important than before. Increasing the competence and awareness of the personnel progressed as a continuous process with the help of training and information spots. Security activities were evaluated both internally and externally by several different parties against different frames of reference.



“ At Sitowise, information security has been developed with the focus on the long term. For a company operating in a security-critical field and for its clients, this certificate is definitely a significant recognition. High-level data security is the lifeblood of our sustainable operations.

Heikki Haasmaa, CEO



Sofia, Project Manager

Corporate governance is the basis for sustainable operations

ACTING IN ACCORDANCE WITH THE LAWS AND REGULATIONS

Sitowise’s operations are guided by its vision, strategy, corresponding values and internal operating principles.

In all its operations, Sitowise complies with the laws, statutes and regulations concerning the company. As a listed company, it also follows the rules of the Nasdaq Helsinki stock exchange; the regulations and instructions of the European Securities and Markets Authority ESMA and the Financial Supervisory Authority as well as the Corporate Governance Code by the Securities Market Association. In addition, the administration of Sitowise follows the group companies’ articles of association as well as the internal guidelines and policies which ensure the compliance of the operations with all the laws and requirements. In addition, operations are guided by, for example, the requirements of the ISO certificates issued for management and operational systems.

GUIDELINES AND POLICIES UNDER REVIEW AS THE GROUP GROWS

With respect to company integrations, progress was made in 2022 towards a more unified Sitowise also in terms of internal guidelines, which have been largely country-specific until now. In the future, guidelines and policies will be prepared from the point of view of the whole group and implemented group-wide where applicable. Existing guidelines and documents are also updated from this point of view as needed.

The internal policies in force are related to, for example, quality control, environmental, personnel and data security matters, and the instructions to fields such as project management, risk management and due diligence on clients and suppliers. The above-mentioned policies and guidelines have been approved by Group Management Team. It is planned to publish key policies when they have been updated to apply to the entire group.

The activities of the entire group and other insiders are subject to the insider guidelines (► **Read more**) and the disclosure policy that is included in the orientation of every Sitowise employee (► **Read more**), which have been approved by Sitowise’s Board of Directors. The work of the group’s Board of Directors and its committees is guided by the charters approved by the Board, which are publicly available on our website (► **Read more**).

EASY AVAILABILITY OF GUIDELINES ENSURES CONSISTENT OPERATING MODELS

The introduction of Sitowise’s digital Voima platform has made it possible to provide instructions in one place, and it has also harmonised operating models in projects. Voima contains the best practices of project work and guidelines related to risk management, for example. Voima also creates a unified framework for tender and contract activities, and it facilitates the internal organization of data collection and sharing. Our other internal platforms provide also other instructions outside project activities. The introduction of Voima will be promoted in Sweden during 2023.



Timo, Leading Consultant, Aino, Landscape Architect & Pekka, Leading Specialist

To ensure the quality and up-to-dateness of the instructions, every policy and guideline of Sitowise has a responsible person in the organization. Policies and guidelines are gone through as part of job orientation, and updates to them are communicated internally.

HANDLING OF VIOLATIONS AND CLIENT FEEDBACK

The Whistle Blow channel is a contact and reporting channel through which anyone can anonymously report suspected violations of Code of Conduct or other regulations. Nine reports were received in 2022. All reports are treated confidentially. To ensure anonymity, the reporting channel is managed by an external partner, WhistleB (Whistleblowing Centre).

Feedback surveys on client projects are sent through the Voima platform. The project feedback survey consists of two separate surveys: the client survey, which can also be sent to other stakeholders, and the project personnel survey. In framework or annual contracts, a client satisfaction survey is conducted periodically. The feedback received during the assignment work and meetings as well as through the survey is discussed at an internal project learning meeting. We always respond to possible contact requests received through the feedback survey. The results of the surveys are collected in a feedback database, from which reports are produced for different needs. The results are discussed and their development is monitored by the management teams. The development of group-level results is communicated internally, and the results of business areas and branches are communicated as needed.

According to the Global Reporting Initiative (GRI) framework, critical concerns in Sitowise’s activities include complaints, claims

and disputes related to projects as well as concerns related to the company’s operations that have come to its attention through the whistleblowing channel or otherwise. Exceptional critical concerns are reported to the Board of Directors in connection with the monthly meeting or, if necessary, immediately by e-mail. Concerns are also reported to the Audit Committee according to the annual calendar. One demand related to the projects has been discussed by the Audit Committee and the Board of Directors during the financial year.



Leena, Team Leader

CASE

Code of Conduct to be familiar to every employee of Sitowise

The Code of Conduct describes how Sitowise operates sustainably and ethically as well as commits to complying with the laws and regulations concerning the company in all the countries in which it operates at any given time. At Sitowise, we have wanted to ensure with the help of the Code of Conduct online course that all personnel have familiarised themselves with the Code of Conduct and assimilated its content.

In 2022, a big investment was made to ensure the internalisation of ethical operating methods, when the online course was moved to a new platform. With the change, it is easier to ensure that every employee of Sitowise has taken the

course. In the future, the Code of Conduct online course will be a mandatory part of job orientation.

The Code of Conduct contains practical instructions that support the implementation of the company’s principles. By the end of 2022, about 85% of the employees of Sitowise in Finland and Sweden had taken the online course announced at the end of the previous year. The goal for the coming years is that every employee will have taken the course. The Code of Conduct is available on our external website.

Sitowise’s Code of Conduct is as follows: We comply with the laws and our commitments, we care about people

and our work community, we develop a sustainable and smart environment, we take care of assets and information that are our responsibility, we procure sustainably, we do not accept corruption, bribery or extortion, and we report concerns and violations. In addition, we comply with the UN’s Universal Declaration of Human Rights and the International Labour Organization (ILO)’s Declaration on Fundamental Principles and Rights at Work.

The Code of Conduct has been approved by the Group Management and the Board of Directors. We also require sustainable actions from our partners.

CERTIFICATES GUARANTEE QUALITY AND HELP WITH DEVELOPMENT

The ISO 9001 standard provides a framework for quality management and helps to develop processes and the consideration of clients' needs. ISO 14001, on the other hand, guides the management of environmental issues and the development of the environmental system. Operations with ISO 9001 and ISO 14001 certification comprise approximately 88% of Sitowise's net sales.

With the help of the ISO 27001 standard, the maintenance and development of the data security management system is also systematic. The standard covers approximately 70% of Sitowise's operations in relation to net sales. The goal is for it to cover all of Sitowise's operations in the coming years. As the company operates in a security-critical field and aims to be "the most responsible partner", this goal is a clear indication of a serious approach to a very current topic.

The description of Sitowise's operational system is related to all products and services as well as to the operation of support services. The management system defines the management process and annual calendar, management forums and the responsibilities and powers of management. The operational system meets the requirements of the ISO 9001, 14001 and 27001 standards. Sitowise's shared operating methods and the results of the internal audit are evaluated according to the annual clock in the management review and the operational system situation review. The essential thing is for operations and the operational and management system to be developed in accordance with Sitowise's strategy and goals.

Sitowise's operations in Finland and Sweden have been evaluated separately in external audits in 2022. In Sitowise's management system, Sweden is viewed as a separate business area, and the operational system did not yet apply to Swedish business operations in 2022. In 2023, the operational and management systems will be updated to make them consistent.

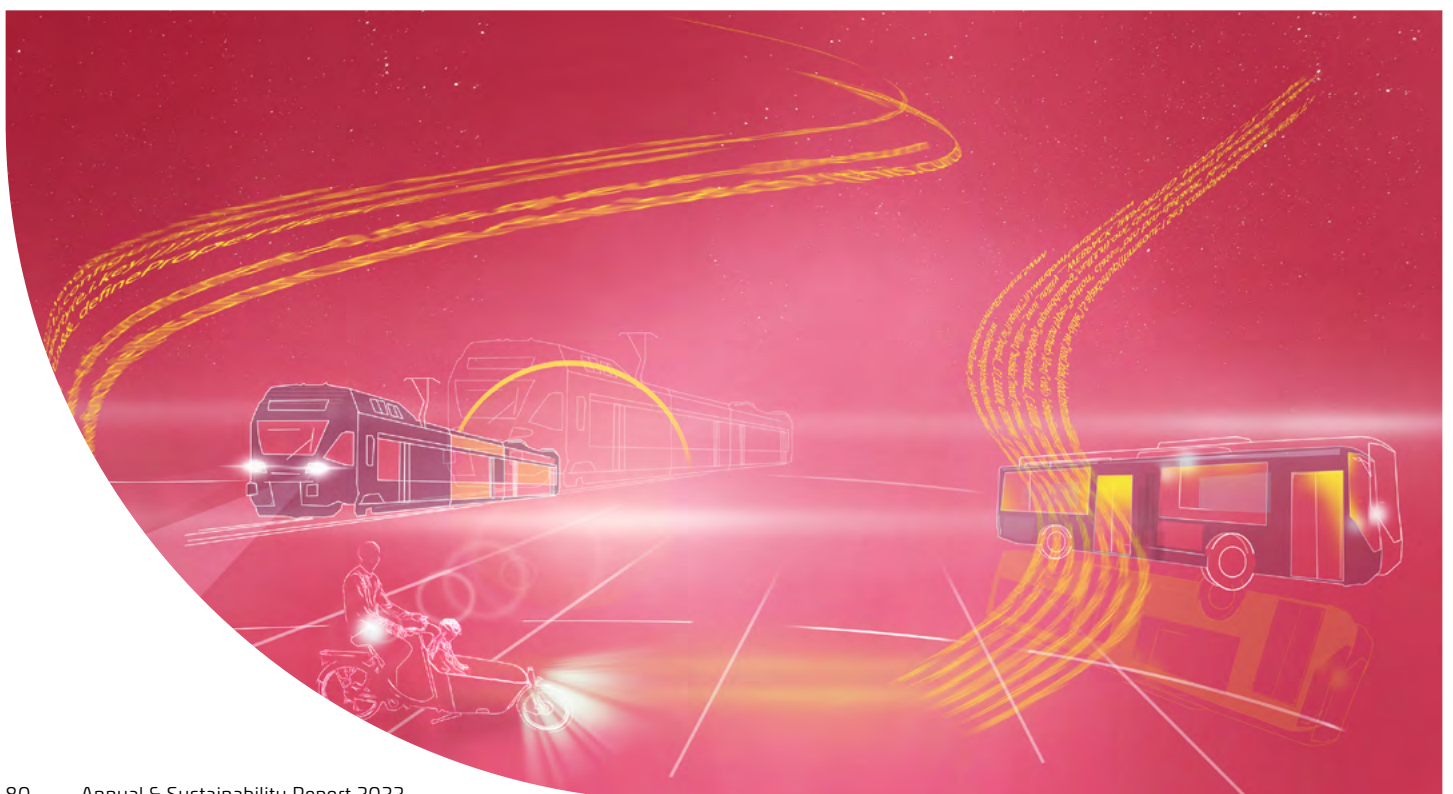
In Sweden, some operations also have the ISO 45001 Occupational Health and Safety System certification. In general, Sitowise's goal is to comply with the requirements of the above-mentioned standards across all operations and to increase the share of certified business operations. Those activities that do not yet have certificates are already operated by applying the principles of the standards at least.

More information on the certificates is available on our website:

► **Read more**

Operational planning is carried out annually at Sitowise in business areas, branches, units and functions that support business. The operational plans analyse the operating environment, analyse the past period and define, for the future period, various goals and indicators that should support Sitowise's strategy and goals.

Internal audits of management and project activities are built according to Sitowise's operational system to cover the requirements of all standards. The audits used data obtained from Voima's user interface and digital reporting tools, with the help of which the data is available to the management at different business levels and in the functions that support the business.



RISK MANAGEMENT IS INTEGRATED WITH MANAGEMENT

In practice, risk management is carried out at Sitowise on three main levels:

1. The Sitowise group's risk management is carried out according to the annual clock, with the help of the group's annual risk mapping and its monitoring as well as the Group Management's regular situation reviews.
2. The identification of risks in business areas and services as well as the definition of measures take place annually in connection with operational planning. This complements the group's risk management from the point of view of the special characteristics of each business area. The monitoring of risks and measures is done as part of monitoring the implementation of operational plans.
3. The risk management of Sitowise's offers and projects is based on a risk-based project classification, based on which the need for risk management in the project is determined. The purpose is to focus risk management on exactly those projects and themes that are the most critical at any given time in terms of the progress of the project and the achievement of goals

In accordance with the Global Reporting Initiative (GRI) framework, this Annual and Sustainability Report discusses the corruption and climate risks. Additional information on other risks and uncertainties in Sitowise's operations can be found in the Sitowise Board's report: ► [Read more](#)

Information about the goals, responsibilities and organization of risk management is available on our website: ► [Read more](#)

The built environment causes approximately one third of greenhouse gas emissions, so reducing its emissions is of great importance in curbing climate change.

CORRUPTION RISKS

The corruption risks of the company are in two directions: those aimed at Sitowise and those caused by it. Bribery is considered to be the most likely form of corruption. Sitowise's Code of Conduct, which all employees and persons in positions of trust must follow, prohibits corruption, bribery and extortion. It requires sustainable procurement, manages both of the corruption risks and includes instructions related to them. The possibility of bribery by employees is reduced by distributing purchase and travel invoices to several people, as mentioned hereinabove. The assessment of corruption risks is the responsibility of the finance department, and the operating methods of all group companies are subject to review, including the companies acquired during the 2022 financial year.

CLIMATE RISKS

Sustainability-related risks, such as climate risks, are monitored at Sitowise as part of the group's risk mapping. Sustainability risks will be systematically reviewed more widely during 2023.

The built environment causes approximately one third of greenhouse gas emissions, so reducing its emissions is of great importance in curbing climate change. The direct and indirect effects of climate change have a direct connection to Sitowise's service offering and business as well as the demand for these. On the other hand, this is also an opportunity for Sitowise to develop its business according to the needs of its clients.

The risk is that Sitowise does not succeed in identifying and anticipating client needs well enough, or is unable to respond to them efficiently enough with its expertise. It can also be seen as a risk that the group does not succeed in training its experts to recognise the effects of climate risks on the needs of clients or is unable to attract enough experts on adapting to climate change.

It is also possible that climate change affects the projects with which Sitowise works. In addition, the economic effects of climate change can also affect Sitowise. Climate change has possible effects on Sitowise's office premises in the same way as on other building stock in the Nordic countries, which is affected by changes in weather conditions, such as the humidity problems and effects on indoor air brought by increasingly rainy weather. However, Sitowise does not own its own office premises, so the financial effects are smaller.

Sitowise has publicly announced its sustainability goals, one of which is the goal of carbon neutrality by 2025. One of the risks can be seen as a reputational risk if Sitowise is unable to achieve its publicly stated goal.

SITOWISE'S BOARD OF DIRECTORS AND MANAGEMENT TEAM

BOARD OF DIRECTORS



Eero Heliövaara

- Chairman of the Board since 2019
- Chairman of the Nomination Committee
- Chairman of the Personnel Committee
- Member of the Acquisitions Committee
- Master's degree in Economics and Business Administration, Master's degree in Engineering
- Born 1956, Finnish citizen
- Independent of the company and its major shareholders
- Shareholdings: 92,520 shares of which 64,520 through Heliocabala Oy

Key positions of trust and work experience:

Mr. Heliövaara acts as a Board member of Saastamoinen Foundation and LymphaTouch Inc, and as a delegate in the Finnish Foundation for Economic Education. Previously he has acted in the Boards of YIT Plc, Solidium Oy, eQ Oyj, Realia Group Oy and Paulig Oy, and as a Director General in the State of Finland the Ownership Steering Department of Prime Minister's Office, the CEO of SRV Group Plc, Pohjola Group Plc and Merita Asset Management Oy, and as an Executive Vice President and Chief Investment Officer of Ilmarinen Mutual Pension Insurance Company.



Leif Gustafsson

- Board member since 2021
- Member of the Personnel Committee
- Member of the Acquisitions Committee
- Degree in construction engineering
- Born 1967, Swedish citizen
- Independent of the company and its major shareholders
- Shareholdings: 20,000 shares

Key positions of trust and work experience:

Mr. Gustafsson is Chairman of the Board of Road Rental Scandinavia AB and a Board member of Parmaco Group. He has acted as the CEO of Cramo Plc in 2016–2020. Previously, he has also acted as the CEO of Stena Recycling International AB, Stena Recycling AB and YIT Sverige AB.



Taina Kyllönen

- Board member since 2019
- Member of the Audit Committee
- Master's degree in Economics and Business Administration
- Born 1967, Finnish citizen
- Independent of the company and its major shareholders
- Shareholdings: 9,320 shares

Key positions of trust and work experience:

Ms. Kyllönen acts as the Director of Communications, Innovations and Community Relations of the University of Helsinki and a Board Member of HIS, Helsinki Innovation Services Ltd and Center for Continuing Education HY + Ltd. Previously she has acted as Executive Vice President and Head of Corporate Identity and Group Communications and Member of the Executive Committee of SSAB Group, in addition to which she has held similar positions at Rautaruukki Corporation and Metso Corporation.



Mirel Leino-Haltia

- Board member since 2021
- Chairman of the Audit Committee
- PhD in Economics and Business Administration, CFA charter
- Born 1971, Finnish citizen
- Independent of the company and its major shareholders
- Shareholdings: 5,500 shares

Key positions of trust and work experience:

Ms. Leino-Haltia acts as a Professor of Practice at Aalto University School of Business and is a Board Member of Teleste Corporation, Ålandsbanken Plc, Euroclear Finland Ltd, Boardman Ltd, Savings Banks Research Foundation, LocalTapiola Mutual Life Insurance Company, LocalTapiola Asset Management Ltd and the Association of Finnish auditors (Suomen tilintarkastajat ry). She is also Chairman of the Board of Indufor Oy. Previously Ms. Leino-Haltia has worked several years as a partner in consulting practice of PricewaterhouseCoopers Oy.



Elina Piispanen

- Board member since 2017
- Member of the Personnel Committee
- Master's degree in Economics and Business Administration
- Born 1963, Finnish citizen
- Independent of the company and its major shareholders
- Shareholdings: 70,000 shares of which 50,000 shares through Fit Advice Oy

Key positions of trust and work experience:

Ms. Piispanen is a Board member of Finnvera Oy, Loihde Oyj, in Oiva Isännöinti group companies and Telko Ltd and, Chair of the Board of Punainen Risti Ensiapu Oy, and acts as the CEO and Board member of Fit Advice Oy. She is also an angel investor in several firms. Previously she has acted as Chief Transformation Officer at Sanoma Media Finland Ltd and over the years she has held several leading positions at Accenture as a partner.



Petri Rignell

- Board member since 2019
- Member of the Nomination Committee
- Member of the Acquisition Committee
- Master's degree in Engineering
- Born 1962, Finnish citizen
- Independent of the company and its major shareholders
- Shareholdings: 80,340 shares of which 30,340 through PriRock Oy

Key positions of trust and work experience:

Mr. Rignell serves as Chairman of the Boards of Consti Plc, Nordec Group Oyj, and Kreate Group Oyj. He is a Board member of Fimpac Group Ltd and its group companies, of Kreate group companies, of Arco group companies, Setera Communications Oy, and acts as a member of the Board and the CEO of PriRock Oy. Mr. Rignell has acted as managing director of IVGPolar Oy and Projektikonstultit Oy earlier.



Tomi Terho

- Board member since 2016
- Chairman of the Acquisitions Committee
- Member of the Audit Committee
- Master's degree in Economics and Business Administration
- Born 1984, Finnish citizen
- Independent of the company but not of its major shareholders
- No shareholdings

Key positions of trust and work experience:

Mr. Terho is a partner at Intera Partners Oy and serves as Chairman of the Board in Oppo One Oy, as a member of the Boards of Arco group companies, several companies belonging to the group of companies of Intera Partners, and Lummene Capital Oy. Previously, he has also been a Board member of Royal Restaurants Ltd, Evidensia Djursjukvård AB, Animagi Oy, Consti Group Plc, and Polarica AB and as a Management Consultant at McKinsey.

MANAGEMENT TEAM**Heikki Haasmaa**

- CEO
- Master's degree in Engineering
- YOB 1978
- CEO since 2022
- Shareholdings: 60 000 shares

Work history

Mr. Haasmaa has a long career in the listed company KONE in various management positions. His latest position at KONE was the Senior Vice President of KONE's global Maintenance Business.

**Jonas Larsson**

- Head of Swedish Operations
- Master's degree in Sustainable Product Development
- S. 1970
- At Sitowise since 2021
- Shareholdings: 10 000 shares

Work history

Jonas Larsson joined Sitowise from the position as a VP in AFRY, where he was responsible of the Connected Products business area. Larsson worked in AFRY Group for 24 years in multiple executive roles and has a broad understanding about leading a project-oriented organization. His experience in AFRY covers several executive roles including EVP and Head of M&A and Business Development, VP and Head of Competence Center, Industry Division and VP and Head of Business Area Product Engineering.

**Taija Lehtola**

- Chief Human Resources Officer
- Master's degree in Economics and Business Administration
- YOB 1973
- CHRO since 2022
- Shareholdings: 18 000 shares

Work history

Ms. Lehtola joined Sitowise from the position of Chief HR and Responsibility Officer of Digita. She has over 20 years of experience in Human Resources Management from Nokia, KONE and Paroc Group.

**Hanna Masakla**

- CFO
- Master's degree in Finance
- YOB 1976
- CFO since 2022
- Shareholdings: 11 000 shares

Work history

Before Sitowise, Ms. Masala has worked in several leadership roles in the areas of finance, strategy and M&A. Her latest position was as a Group Finance Director in Fortum Oyj. Before this she has worked in Solidium, Outokumpu and Nordea Corporate Finance.

**Jannis Mikkola**

- Business director, Infrastructure Solutions, Executive Vice President
- Master's degree in Engineering
- YOB 1973
- Management team member since 2018, over 15-year career in a variety of management roles in Sitowise
- Shareholdings: 356 740 shares

Work history

Mr. Mikkola has worked in infrastructure sector for more than 20 years, specializing in multidisciplinary urban projects and underground construction.



Timo Palonkoski

- Business Director, Building Solutions, Executive Vice President
- Master's degree in Engineering (M. Eng)
- YOB 1982
- Management team member since 2018, worked at Sitowise and companies merged to it since 2006
- Shareholdings: 154 000 shares

Work history

Mr. Palonkoski has acted as Executive Vice President of Renovation Construction at Wise Group Finland Oy and the Deputy President of Nexon Consulting Oy.



Turo Tinkanen

- Chief Information Officer
- Degree in telecommunications engineering
- YOB 1982
- Management team member since 2018
- Shareholdings: 52 000 shares

Work history

Prior to Sitowise, Mr. Tinkanen ran his own IT consulting firm for 16 years. Through this he has become particularly familiar with the IT environments, challenges and development opportunities in the consulting and design industry, and has extensive experience in systems specific to the construction industry.



Minttu Vilander

- Chief Communications and Corporate Responsibility Officer
- Master of Arts
- YOB 1981
- Management team member since 2020
- Shareholdings: 19 200 shares

Work history

Prior to Sitowise, Ms. Vilander has worked as the communications director of the listed company NRC Group and as the communications manager of Gränlund.

COMMITTEES SUPPORT THE ACTIVITIES OF THE BOARD, AND THE MANAGEMENT TEAM SUPPORTS THE CEO

The Board of Directors is elected by the general meeting, and the Board appoints members to its committees from among itself. The Board takes care of the company's administration and the proper organization of its operations, and is responsible for ensuring that the supervision of the company's accounting and financial management is properly organized.

More on the tasks of the Board: ► [Read more](#)

Based on the management's proposals, the committees prepare matters in their area of responsibility for the Board to decide on. An exception is the Nomination Committee, whose meetings the executive management does not participate in. The committees have no independent decision-making powers. The Audit Committee of the Board has a preparatory role in financial and sustainability matters, and the Personnel Committee in personnel and remuneration matters. The task of the Acquisitions Committee is to assist the Board with the business acquisitions strategy and its implementation. The Nomination Committee prepares the Board's proposal for the general meeting regarding the Board's composition and remuneration. External experts are consulted in the committees according to their wishes and needs, for example in the Audit Committee regarding sustainability matters.

More on the committees: ► [Read more](#)

In accordance with the Limited Liability Companies Act and the mandates and guidelines received from the Board, the CEO is responsible for managing and supervising the company's day-to-day operations. In daily management, the CEO is assisted by a Group Management Team.

The shareholders use their decision-making powers at the general meeting, which decides on the matters that belong to it under the Limited Liability Companies Act. The general meeting decides, among other things, on the election of the Board of Directors and the auditor as well as on the adoption of the financial statements.

THE BOARD MEMBERS AT SITOWISE HAVE DIVERSE BACKGROUNDS

Sitowise's Board has versatile experience and know-how, from universities to construction and finance, consulting and communications. The members' educational backgrounds are on the commercial and technical side. The members have extensive positions of trust in various companies, which also benefits Sitowise in the development of its sustainability work, among other things. Of the seven members of the Board, four are men and three women. Diversity is also brought by the fact that the members were born in four different decades and that the members represent two different nationalities: Finnish and Swedish. All the other Board members are independent from the company and its largest shareholders except Tomi Terho who represents the company's stakeholders. Terho is a partner in the company's largest shareholder, Intera Partners.

THE ANNUAL SELF-ASSESSMENT BY THE BOARD

The Board's annual self-assessment for 2022 has been carried out using a survey. It has taken into account economic, environmental and personnel themes. Evaluation of the Board is carried out by an outside party. The Corporate Governance Code requires that the Board must evaluate its operations and working methods annually. According to the charter of the Board of Directors of Sitowise Group Plc, the performance of the Board and its individual members is evaluated annually. In order to develop operations further, the results are discussed by the Board. The results of the evaluation are taken into account when preparing the proposal for the new composition of the Board.

SELECTION OF MEMBERS OF THE BOARD OF DIRECTORS

The Board's Nomination Committee prepares the Board's proposal to the general meeting regarding the composition of the Board, which the general meeting decides on. The committee consults significant shareholders when preparing its proposal regarding Board members. When preparing the proposal regarding the composition of the Board, the Nomination Committee must also take into account the independence requirements in the Corporate Governance Code for listed companies; the annual evaluations of the Board's activities prepared in accordance with the Corporate Governance Code; the diversity principles of the Board; and all other applicable provisions and regulations.

The company's Board of Directors must have sufficient expertise, know-how and experience in matters related to the company's field of business. The Board as a collective must have experience of different markets, internationalisation and important topics such as digitalization and corporate responsibility. The preparation of the proposal for the composition of the Board and the qualifications required of the Board members are specified in more detail in the charter of the Board's Nomination Committee.

According to the charter of Sitowise's Nomination Committee, both genders must be represented on the Board. According to the Corporate Governance Code, the majority of Board members must be independent of the company, and at least two Board members who are independent of the company must also be independent of the company's significant shareholders. The Board chooses the committees' chairs and members from among itself.

The members have extensive positions of trust in various companies, which also benefits Sitowise in the development of its sustainability work, among other things.

RESPONSIBILITIES AND APPROVAL PROCESSES AT THE COMPANY

The company’s Board of Directors or the Group Management approves the guidelines and policies that guide the company’s operations, such as the strategy, vision, purpose, values, sustainability program and management policies and principles as well as any changes to these. A member of Group Management is responsible for the development and preparation of these documents.

In order to enable the Board to carry out its control task, the management reports on the progress of the objectives of the sustainability program; indicators related to personnel (turnover, new employees, sick leaves); the company’s financial situation; and the achievement of the long-term financial goals set by the company, on a monthly basis compared to the comparison period. The results of the personnel survey are reported annually. Matters related to business acquisitions and client contracts are approved in accordance with the principles agreed in the company at the required level, either by the Board of Directors or at the operational level. In matters falling within the Board’s decision-making authority, the Board discusses the matter and decides on approval. Matters related to financial responsibility and the correctness of reporting are reported to the Audit Committee in more detail according to the annual calendar, and financial matters are discussed in the Audit Committee, in whose meetings the CFO among others is present. Personnel matters are discussed in the Personnel Committee, where the Chief Human Resources Officer is present. Among other things, the effectiveness of the processes related to the above-mentioned matters is monitored

at the board and committee level, e.g. by means of internal audits and through various reviews, such as those by Acquisitions Committee regarding business acquisitions. Such evaluations are carried out throughout the year and at different frequencies, depending on the subject.

The CFO is responsible for financial matters; the Chief Human Resources Officer is responsible for personnel matters; and the Chief Communications and Corporate Responsibility Officer is responsible for sustainability matters. The Chief Human Resources Officer discusses personnel matters with the Board’s Personnel Committee approximately once every two months. The CFO discusses financial matters with the Audit Committee of the Board at least four times a year in the Audit Committee. The company’s CEO reports the company’s financial situation to the Board monthly. The Corporate Responsibility Office reports to the Audit Committee annually at least on sustainability reporting, and the status of the implementation of the sustainability program is reported to the Board monthly.

CONFLICTS OF INTEREST

Matters related to conflicts of interest are regulated as described in the corporate governance statement (“Principles of related-party transactions”) and the Board’s charter (in the chapter “Board meetings”). The latter regulates the issues the handling of which a Board member may not participate in, and the former contains the principles of monitoring and evaluating related-party transactions defined by the Sitowise Board. Related parties and transactions are reported and published in accordance with the Finnish statutory requirements. Related parties are defined according to the international accounting standards. The company’s ownership information and the Board members’ other board memberships are indicated on the company’s website. The list of shareholders is a public document in Finland.

The management reports on the results of the personnel survey to the Board annually.



Helmi, Specialist, Oskari, Software Developer & Tuomas, Software Specialist

Sustainability indicators and reporting principles



SUSTAINABILITY MATERIAL TOPICS AND MANAGEMENT

The responsibilities and management of the sustainability themes are described in the Sustainability Program 2025. It also contains information on how the setting of goals and measures will be corrected, if necessary.



SOCIETY

SUSTAINABILITY THEME

Sitowise is the most active and interesting sustainability debater in the built environment	Sitowise will improve our employees' sustainability skills considerably	We will include sustainability in our remuneration policy
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Target

Stakeholders consider Sitowise increasingly influential as a thought leader every year	Our entire personnel has received sustainability training	Sitowise's own sustainability tool will be used in all of our client projects	Sustainability is included in all employee remuneration
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Target advancement

Actions to advance this target include The Smart City Talks events where topical issues are discussed. In addition, experts have been helped to share their knowledge in different forums.	Planning Group's sustainability training scheme will begin in 2023. The aim is to create trainings that enhance sustainability knowledge of different employee groups.	The Sustainability Tool has become part of project work. The tool enables setting sustainability targets for client projects. Development of the tool will continue during 2023 with the aim of making it better suited for client needs. During 2023, implementation of sustainability tool in Sweden will be advanced.	Sustainability is part of leadership's remuneration system. The personnel remuneration policy for 2023 will also stress sustainability.
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Indicator

Measured by an annual general public reputation and trust survey: 1) Sitowise moves the industry in the right direction with regard to society 2) Sitowise is an industry pioneer in the climate and environmental aspects	Client survey: Sitowise is the most responsible partner	% of employees who have attended different sustainability training sessions	Personnel survey: I know how I can take sustainability into account in my work.	% of projects that have used the sustainability tool out of all of our client projects	Sustainability is included in the remuneration policy at all levels
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2021

1) 3.58 (1-5) 2) 3.36 (1-5)	3.5 (1-5)	Realization of Group's sustainability training 2023	57%, (answers 4 and 5 on scale 1-5.)	43% (Client projects in Finland)	Sustainability is part of management remuneration.
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2022

1) 3.50 (1-5) 2) 3.28 (1-5)	3.47 (1-5)	Realization of Group's sustainability training 2023	61% (answers 4 and 5 on scale 1-5.)	86% (Client projects in Finland)	Sustainability is part of management remuneration.
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Commitments, policies and guidelines linked to target

- Sitowise's strategy
- Sitowise's sustainability program
- Code of Conduct
- UN Sustainable development Goals
- Global Compact

Management

The various areas of thought leadership will be managed by the communication and sustainability team in cooperation with business areas and broadly with the personnel.	Group's internal sustainability training path: Group's sustainability team together with business areas.	The Group's sustainability team developing and implementing the sustainability tool, with help of business areas.	The Group's Management Team and board of directors: Including sustainability into the goals when updating the remuneration policy.
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ENVIRONMENT	
SUSTAINABILITY THEME	
Sitowise will continuously reduce its emissions towards carbon neutrality by 2025	Sitowise will compensate for all the carbon dioxide emissions caused by its own operations at the latest in 2025
Target	
Carbon footprint of own operations will be as small as possible.	Carbon footprint of own operations, compensation included, will be zero.
Target advancement	
The comprehensive carbon footprint calculation in accordance with the Greenhouse Gas Protocol guidelines, has made it possible to identify key sources of emissions and their control mechanisms. The work will continue in 2023, with developing data collection and with measures to reduce emissions.	Not yet topical 2022.
Indicator	
Carbon footprint without any form of compensation (t CO ₂ -eq/employee)	Carbon footprint, compensation included
2021	
1,1 t CO ₂ -eq/person	
2022	
1,16 CO ₂ -eq/person	
Commitments, policies and guidelines linked to target	
Sitowise's strategy Sitowise's sustainability program Code of Conduct Environmental policy Multiple internal guidelines: such as travel guideline, car policy UN Sustainable development Goals Global Compact	
Management	
The overall responsibility of the carbon neutrality goal belongs to the Group's sustainability team, whose task is to monitor and support the implementation of the goal. Several different actors implement the carbon neutrality goal.	



PEOPLE

SUSTAINABILITY THEME

Sitowise will actively improve the wellbeing of its employees and listen to them **Sitowise ensures diversity and equity in the company**

Target

100% of our employees feel that the employer supports the wellbeing of employees.	We will conduct a diversity survey and use it to determine the necessary measures.	Diversity training will be offered to the personnel.	The pay gap between genders for equal work will be eliminated by 2025.	The gender distribution among supervisors will correspond to that of the employees by 2025.
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Target advancement

First and foremost, employee wellbeing at Sitowise is supported by improving teams' and organization' ways better support wellbeing. During 2022, Auntee-psychological discussion service was launched in Finland. During 2023, Sitowise will use the new online platform to create online courses that support wellbeing. There will be different courses for the whole personnel and just for supervisors.	In 2022, DEI survey was done to the whole personnel. The aim of this survey was to better understand the starting point of the organization. Results showed many concrete steps for future development. Survey results were also utilized in strategy work. Based on the results an action plan will be drafted during 2023.	In 2022, DEI survey was done to the whole personnel. Results showed many concrete steps for future development, one of which were trainings. During 2023, different trainings will be planned for different personnel groups.	Remuneration principles have been defined and supervisors have been trained. During 2023, remuneration will be developed further and salary comparison will be carried out.	Sitowise has regular New supervisor tool kit training, that supports personnel in career changes. The share of women supervisors has increased. In 2022, it was 26% of all supervisors (2021: 23%).
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Indicator

Employee survey: I feel that the employer supports the wellbeing of employees	Survey done	Share of employees who have done DEI training	Equal pay for equal work by SKOL category/branch of activity	The gender distribution among supervisors and the entire personnel
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2021

3.98 (1-5)		No training yet		Share of women: supervisors 23%; personnel 34%
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2022

3.98. (1-5)	Survey done	No training yet	Indicators developed during 2023	Share of women: supervisors 26%; personnel 33%.
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Commitments, policies and guidelines linked to target

- Sitowise's strategy
- Sitowise's sustainability program
- Code of Conduct
- Personnel policy
- Multiple internal guidelines
- UN Sustainable development Goals
- Global Compact

Management

The overall responsibility belongs to the HR team whose task is to monitor and support the implementation of the goal. The sustainability team will support the HR team particularly in diversity matters and premises team with accessibility matters.



ECONOMY

SUSTAINABILITY THEME

Sitowise I anticipate and follow the shift in the markets while keeping an eye on the direction of sustainability trends and its clients' sustainability goals	Sitowise is actively developing its current and future services to meet the challenges of sustainable development	Sitowise will increase business activities aimed at sustainable development
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Target

According to its clients and stakeholders, Sitowise is well familiar with the developments of the industry.	Sitowise will allocate at least 80% of its RDI budget to innovation activities within sustainable development services.	% of group's business activities promote sustainable development.
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Target advancement

As part of the strategy process at the end of the year 2022, ways to generate growth for the sustainable development services were mapped. This work will continue during 2023 by recognizing the key talents, anticipating the future growth potential and defining spearheads for the sustainable development services.	During 2022, innovation work was advanced by recruiting a new head of innovation. Many of the ideas on the innovation platform, Smart City Lab, were linked to sustainable development. Sitowise launched new services such as ESG DD tool. Innovation work will continue in line with the strategy launched in 2023.	Sustainable development is an important part of the revised strategy, and number services linked to it will grow in the next few years. Sitowise reported share of revenue from taxonomy eligible activities first time from the year 2021. Share of revenue from taxonomy aligned activities is reported for the first time for the year 2022. The target level will be defined during 2023.
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Indicator

Client survey: Sitowise knows the industry's developments well.	% of the entire RDI budget spent in innovation promoting sustainable development .	Client survey: Assess Sitowise's operations in terms of developing new innovative solutions.	% of our revenue consists of business that is taxonomy aligned (the desired % will be determined after the first review).
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2021

Not asked before	Not data available	48 % respondents see Sitowise as a forerunner.	For year 2021 reported the share of taxonomy eligible activities.
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2022

4.08	88 % of the innovation budget was allocated to actions promoting sustainable development. During 2023 monitoring will be improved so that it is possible to report the share for the whole RDI budget.	53 % respondents see Sitowise as a forerunner.	Taxonomy eligible activities also reported. Sitowise has no activities that are taxonomy aligned.
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Commitments, policies and guidelines linked to target

- Sitowise's strategy
- Sitowise's sustainability program
- Sitowise's innovation operations
- UN Sustainable development Goals
- Global Compact

Management

Group Management team, business are management teams	Business area management teams, Head of innovation	Group Management team, business are management teams
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SITOWISE’S CARBON FOOTPRINT, CALCULATION PRINCIPLES AND DELIMITATIONS

Sitowise’s carbon footprint has been calculated in accordance with the Greenhouse Gas (GHG) Protocol, which is the most widely known and used reference framework for calculating and reporting the annual greenhouse gases of organizations.

The 2022 carbon footprint calculation covered Sitowise’s operations in Finland with the same delimitations as the 2021 calculation. Calculation included emissions from company’s own vehicles and emissions from the offices in Finland, covering electricity, heating, water consumption, waste collection and processing waste. In addition, emissions from business travel (including hotel stays), leasing cars, purchased goods (IT equipment, office paper, office furniture) and purchased services (cleaning, mail and courier services, insurances) were taken into account.

In 2022, emissions from Sitowise’s Swedish operations were also included in the calculation for the first time. The calculation has been carried out on the same principle as for operations in Finland, but there is a difference in the delimitations and the quality of the baseline data. Because of this, the accuracy of the emission calculation of Swedish operations is not at a level completely equivalent to the calculation for Finland. In the coming years, however, the goal is to harmonise the emission calculation of operations in Finland and Sweden. Calculation included emissions from the offices in Sweden, covering electricity, heating, water consumption, waste collection and processing waste. In addition to these, emissions caused by business travel (excluding

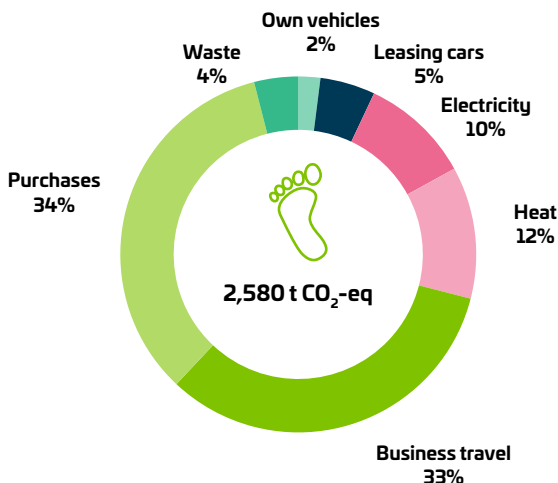
compensated mileage) and material purchases (IT equipment, furniture) were taken into account.

In 2022, the total emissions of Sitowise’s operations were 2,580 tonnes CO₂-equivalent, with procurement and business travel emissions being the most significant. In procurement the share of IT equipment stands out, at approximately 70% of the total carbon footprint caused by procurement.

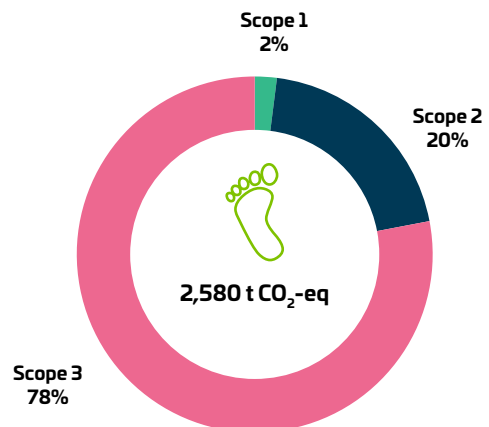
With regard to Finnish operations, emissions had increased by 18% since 2021. Emissions have increased in almost every area, excluding the production of district heat and the emissions caused by the use of leased vehicles. The emissions caused by business travel have grown the most in absolute terms with an increment of approximately 52% compared to the previous year. The increase in emissions from business travel is caused by the almost sixfold increase in air traffic and the approximately 16% increase in mileage-reimbursed trips compared to the previous year. In 2022, there have been steadily more procurements than in the previous year, and emissions in this area have accordingly increased by approximately 24%. In terms of procurements, IT equipment is the most significant source of emissions, increasing by approximately 24% from the previous year.

For some activities, baseline data has been obtained at a more precise level than in the previous year, which partly explains the change in emissions and makes comparing emissions with the previous year more challenging. Finnish operations accounted for 79% of Sitowise’s 2022 carbon footprint.

Distribution of the total emissions from Sitowise’s operations in 2022



Sitowise’s total emissions with the scope breakdown applied in the GHG protocol



CALCULATION PRINCIPLES

In accordance with the GHG protocol guidelines, the calculations included direct greenhouse gas emissions of the group's operations (scope 1), indirect energy-related emissions (scope 2) and other indirect emissions (scope 3).

Regarding operations in Finland, the emission calculations of the company's own vehicles are based on actual fuel consumption. Electricity, heat and water consumption as well as waste amounts were based on the data collected from a survey of the property owners and the data gathered from procurement systems and accounting. Estimates of average office building consumption by Motiva Oy and waste information by Helsinki Region Environmental Services (HSY) were used in cases where the data gathered from the offices was not sufficient for accurate calculations. Regarding the offices in Sweden, the electricity, heat and water consumption data are entirely based on the same consumption figures published by Motiva Oy. It was assumed that all Finnish and Swedish offices used district heating. The total amount of waste generated at the Swedish offices was evaluated using the waste accumulation data published by Helsinki Region Environmental Services.

Purchase amounts were based on data received from procurement systems and accounting. The following devices purchased in 2022 were included in the ICT equipment calculation: laptops, mobile phones, screens and multi-function devices. These ICT devices have been taken into account in the emission calculations of both Finnish and Swedish operations.

Business travel included business travel by car, airplane and train. The amounts of reimbursed mileage, taxi trips, hotel stays and air traffic used in the calculations are based on data obtained from

the M2 and Valueframe systems as well as reports from travel agency FCM Travel and Hotelzone. Rail transport kilometers were based on VR's purchase and travel report. The emissions calculation of leased cars is based on a report received from ALD Automotive on actual fuel consumption.

The emission coefficients for the fuel burning of vehicles owned by Sitowise are based on information from Autokalkulaattori. The emissions from fuel manufacturing and transportation are based on unit processes in the Ecoinvent database.

In calculating the emissions of the electricity consumption of offices in Finland, the average emission coefficient of electricity production in Finland has been used, and the indirect emissions of electricity production (e.g. the supply chain of fuels) have also been taken into account. For district heating, the local emission factors were gathered from the district heating emissions calculator provided by Local Power. Indirect emissions from district heating were assumed to be 10% of the direct emissions. In calculating the emissions of the Swedish offices' energy consumption, the emission coefficients of Sweden's average electricity production and average district heating production have been used. In addition to direct emissions from energy production, indirect emissions have also been taken into account.

Emissions from waste collection and processing were based on emissions factors developed in Julia 2030 project carried out in the HSY area.

Emission factors of procurement are based on environmental product declarations (EPD) or carbon footprint data and relevant research literature, e.g. Horn, Judl & Pesu (SYKE) 2020, University of Helsinki (Hiilifiku calculator).

CARBON FOOTPRINT INDICATORS

Indicator	Unit	2022	2021
Number of personnel at offices	person	2,232	1,630
Direct own emissions, Scope 1	t CO ₂ -eq	46	13
Indirect emissions from energy, Scope 2	t CO ₂ -eq	519	455
Other indirect emissions, Scope 3	t CO ₂ -eq	2,016	1,270
Total carbon footprint (Scope 1-3)	t CO ₂ -eq	2,580	1,738
Total carbon footprint per employee	t CO ₂ -eq /person	1.16	1.1
Electricity consumption at offices	MWh	3,234	2,497
Heat consumption at offices	MWh	3,423	2,859
Compensated mileage	km	2,354,392	2,025,225
Compensated mileage per employee	km/person	1,055	1,242
Flight kilometers	km	1,794,473	95,917
Flight kilometers per employee	km/person	804	59

THE SITOWISE GROUP'S REPORTING ACCORDING TO THE EU TAXONOMY

The carbon footprint of the built environment is significant. At the core of Sitowise's operations is the development of the built environment, and this enables versatile opportunities for influence in all phases of the built environment's lifecycle. Our vision is to be the most responsible partner in developing a prosperous living environment.

The purpose of the EU's classification system for sustainable financing, i.e. the EU taxonomy, is to direct capital to climate-sustainable and environmentally sustainable projects. The taxonomy criteria can be used to identify from the company's operations the services and products that support the realisation of the EU taxonomy's environmental goals. Their share of the company's key performance indicators (KPIs) is reported annually.

The EU taxonomy was included in Sitowise's annual reporting for the first time for the operations of the year 2021. At that time, the parts of Sitowise's operations that fall within the scope of the taxonomy regulation, i.e. are taxonomy-eligible, were reported. For the year 2022, the reporting obligations have expanded. In addition to taxonomy-eligible activities, taxonomy-aligned activities are also reported, i.e. the shares of those taxonomy-eligible activities that meet the technical assessment criteria of the EU delegated climate regulation, the criteria for avoiding significant harm (DNSH criteria) and the minimum social responsibility criteria.

THE TAXONOMY ELIGIBILITY AND TAXONOMY ALIGNMENT OF OPERATIONS

The examination of the taxonomy eligibility of Sitowise's activities in 2022 was based on the eligibility assessment of the previous year. The assessment was updated and refined by taking into account the changes that occurred in Sitowise's operations during 2022 and the NACE codes of the business area classifications. One key goal was also to refine the eligibility assessment even more, and for this reason the taxonomy regulation's consistency criteria were interpreted more strictly than in the previous year. After the taxonomy-eligible activities were identified, the alignment of these activities with the taxonomy was evaluated for each activity separately by comparing the taxonomy-eligible activities with the technical evaluation criteria of the delegated climate regulation and the DNSH criteria, regarding the main criterion from whose perspective the activity was classified as taxonomy-eligible: climate change mitigation or adaptation to climate change.

Of Sitowise's net sales, 40% were estimated to be taxonomy-eligible activities in 2022. These are considered to include, for example, environmental research services aimed at reducing greenhouse gas emissions (taxonomy category 9.1); engineering services and technical consulting related to adaptation to climate change (9.1); as well as software and consulting services (8.2).

However, a large part of Sitowise's activities as such is not considered to fall within the scope of the taxonomy classification because the delegated climate regulation does not currently identify the engineering field as its own taxonomy category. Since Sitowise has also interpreted the taxonomy regulation strictly and according to the exact wording, it has been considered, among other things, that with regard to repairs of existing buildings (7.2), the preparation of construction work mentioned in the description of the activity does not include activities related to the planning of renovation construction in Sitowise's services. Furthermore, in accordance with the previous year, it has been considered that planning services related to new construction (7.1) are not taxonomy-eligible because, according to the text of the regulation, the taxonomy-eligible activity concerns operators who have buildings constructed for sale on their own account and who have overall responsibility for the construction project.

Due to the strict line of interpretation, Sitowise also cannot consider group's taxonomy-eligible activities to meet all the technical evaluation criteria of the delegated climate regulation or the DNSH criteria. Since the taxonomy regulation does not consider planning as its own field, neither can the fulfilment of all the criteria be seen as relevant to the planning field as such. In terms of environmentally sustainable projects, however, it is seen that Sitowise's planning services are in a decisive position, for example, in urban and transport infrastructure projects, which can be used to achieve emission reductions and which enable and strengthen the taxonomy compliance of our clients' operations.

Although Sitowise's operations have not been interpreted in 2022 as taxonomy-aligned from the point of view of climate change mitigation and adaptation, the taxonomy eligibility and compliance of our operations can be re-examined in the future, after the remaining four EU environmental goals have been included in the taxonomy assessment.

Sitowise's taxonomy-eligible and taxonomy-aligned activities for the year 2022 are summarised in the table below.

2022	Net sales	Fixed assets, investments	Operating activities
Not taxonomy-eligible	60%	31%	N/A
Taxonomy-eligible	40%	69%	N/A
Taxonomy-aligned	0%	0%	N/A

The tables prepared in accordance with the reporting regulation, which are a reporting requirement for the presentation of data in 2022 are presented in the following pages. Since operating expenses are not incurred in Sitowise's business in the manner meant in the taxonomy regulation, and these operating expenses are not essential for our business model, we do not consider it necessary to report them separately for 2022. As a rule, Sitowise's development work takes place as a natural part of Sitowise's client projects, and development measures are, therefore, taken into account as part of the personnel costs.

DEVELOPMENT OF OPERATIONS TOWARDS ALIGNMENT WITH THE TAXONOMY

Sitowise sees a lot of potential for improving the sustainability of the business sector with the help of the EU’s taxonomy classification, and Sitowise wants to be part of this sustainable change. However, the regulation currently in force does not sufficiently take into account the planning sector as its own industry, and for this reason all the criteria related to climate change adaptation are not necessarily relevant in the planning sector. However, the role of the planning industry in climate-sustainable and environmentally sustainable projects is significant.

Taking this into account, Sitowise sees that its role in the field of EU taxonomy is to be a pioneer in the development of the built environment. Group’s goal is above all to offer services to its clients to support the development of their operations to be more taxonomy-aligned. Sitowise strives to create added value for its clients by modifying the structure of projects in the future to support alignment with the taxonomy of overall projects. This is done by bringing taxonomy alignment requirements to the project level, for example by developing a project-specific tool for mapping climate risks at the company’s different branches.

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2022

Economic activities	Code(s)	Absolute turnover (EUR)	Proportion of turnover (%)	Substantial contribution criteria							DNSH criteria (Does Not Significantly Harm)					Minimum safeguards (N/N)	Taxonomy-aligned proportion of turnover, year 2022 (%)	Taxonomy-aligned proportion of turnover, year 2021 (%)	Category enabling activity (E)	Category (Transition activity) (T)
				Climate change mitigation (%)	Climate change adaptation (%)	Water and marine resources (%)	Circular economy (%)	Pollution (%)	Biodiversity and ecosystem (%)	Climate change mitigation (N/N)	Climate change adaptation (N/N)	Water and marine resources (N/N)	Circular economy (N/N)	Pollution (N/N)	Biodiversity and ecosystem (N/N)					
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Taxonomy-aligned activities																				
Turnover of Taxonomy-aligned activities (A.1)			0	0%																
A.2 Taxonomy-eligible, but not Taxonomy-aligned activities																				
Infrastructure of railway transport		6.14	8.0	4%																
Enabling infrastructure for road transport and public transport		6.15	21.6	11%																
Installation, maintenance and repair of electric vehicle charging stations in buildings (and in parking spaces connected to buildings)		7.4	0.3	0%																
Installation, maintenance and repair of instruments used in measuring, adjusting and monitoring the energy efficiency of buildings		7.5	15.1	7%																
Data processing, server space rental and related services		8.1	21.1	10%																
Software, consulting and related activities		8.2	7.4	4%																
Market-oriented research, development and innovation		9.1	1.1	1%																
Engineering services related to adaptation to climate change and related technical consulting		9.1	4.2	2%																
Expert services related to the energy efficiency of buildings		9.3	2.5	1%																
Turnover of Taxonomy eligible, but not Taxonomy-aligned activities (A.2)			81.3	40%																
Total (A.1 + A.2)			81.3	40%																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Turnover of Taxonomy non-eligible activities (B)			123.1	60%																
Total (A+B)			204.4	100%																

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2022

Economic activities	Codes	Absolute CapEx (EUR)	Proportion of CapEx (%)	Substantial contribution criteria							DNSH criteria (Does Not Significantly Harm)							Minimum safeguards (Y/N)	Taxonomy-aligned proportion of CapEx, year 2022 (%)	Taxonomy-aligned proportion of CapEx, year 2021 (%)	Category (enabling activity) (E)	Category (transition activity) (T)
				Climate change mitigation (%)	Climate change adaptation (%)	Water and marine resources (%)	Circular economy (%)	Pollution (%)	Biodiversity and ecosystems (%)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)							
A. TAXONOMY-ELIGIBLE ACTIVITIES																						
A.1 Taxonomy-aligned activities																						
CapEx of Taxonomy-aligned activities (A.1)			0	0																		
A.2 Taxonomy eligible, but not Taxonomy-aligned activities																						
Infrastructure of railway transport		6.14	0.9	3																		
Enabling infrastructure for road transport and public transport		6.15	3.8	13																		
Installation, maintenance and repair of electric vehicle charging stations in buildings (and in parking spaces connected to buildings)		7.4	0.0	0																		
Installation, maintenance and repair of instruments used in measuring, adjusting and monitoring the energy efficiency of buildings		7.5	0.5	2																		
Data processing, server space rental and related services		8.1	0.7	2																		
Software, consulting and related activities		8.2	12.7	42																		
Market-oriented research, development and innovation		9.1	0.0	0																		
Engineering services related to adaptation to climate change and related technical consulting		9.1	1.5	5																		
Expert services related to the energy efficiency of buildings		9.3	0.9	3																		
CapEx of Taxonomy eligible, but not Taxonomy-aligned activities (A.2)			20.9	69																		
Total (A.1 + A.2)			20.9	69																		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																						
CapEx of Taxonomy non-eligible activities (B)			9.3	31																		
Total (A+B)			30.2	100																		

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – not reported in 2022

Economic activities	Codes	Absolute OpEx (EUR)	Proportion of OpEx (%)	Substantial contribution criteria							DNSH criteria (Does Not Significantly Harm)							Minimum safeguards (Y/N)	Taxonomy-aligned proportion of OpEx, year 2022 (%)	Taxonomy-aligned proportion of OpEx, year 2021 (%)	Category (enabling activity) (E)	Category (transition activity) (T)
				Climate change mitigation (%)	Climate change adaptation (%)	Water and marine resources (%)	Circular economy (%)	Pollution (%)	Biodiversity and ecosystems (%)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)							
A. TAXONOMY-ELIGIBLE ACTIVITIES																						
A.1 Taxonomy-aligned activities																						
OpEx of Taxonomy-aligned activities (A.1)																						
A.2 Taxonomy eligible, but not Taxonomy-aligned activities																						
OpEx of Taxonomy eligible, but not Taxonomy-aligned activities (A.2)																						
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																						
OpEx of Taxonomy non-eligible activities (B)																						
Total (A+B)																						

SUSTAINABILITY REPORTING ACCORDING TO THE GRI STANDARD

The Sustainability Report is intended for use by investors, owners, analysts, personnel and various actors in society so that they can evaluate the results and goals of Sitowise's operations in the various areas of sustainability. The comprehensive reporting of data aims at transparency. Reporting in accordance with international reporting principles facilitates the comparability of operations. The activities of 2022 have been reported more comprehensively than in previous years in accordance with the Global Reporting Initiative (GRI) sustainable development reporting guidelines. In the GRI index, it is specified for each reported standard which year's version of the standard was used in the reporting.

The sustainability reporting period is the financial year, 1 January to 31 December 2022. This is the group's fourth annually published Sustainability Report, whose date of publication is in Finnish 30 March 2023. The reporting languages are Finnish and English. The report is published online and is available as a PDF file.

The acquisitions made during 2022 and the integration of Swedish operations into the group's systems have affected the reporting data in some respects. The indicators cover either Finnish operations or the whole group. The coverage is explained for each indicator.

Sitowise's Board of Directors has discussed and approved the Annual and Sustainability Report and has had the opportunity to discuss the data with the company's management and experts.

Sitowise's 2022 Annual and Sustainability Report has not been certified by any external party. We are preparing for the future mandatory verification of sustainability information with a test verification of the 2022 report, from which we will gather lessons for a successful verification process in 2024.

At Sitowise, annual reporting is an important tool for evaluating the success of our own sustainability measures and for reorienting goals, if necessary. We will be glad to receive feedback on our sustainability work at vastuullisuus@sitowise.com.



Code	GRI Content	Location	Omissions and further information
GRI 2: GENERAL DISCLOSURES (2021)			
The organization and its reporting practices			
2-1	Organizational details	Sitowise p. 2	
2-2	Entities included in the organization's sustainability reporting	Sustainability Indicators and Reporting Principles: p. 97	
2-3	Reporting period, frequency and contact point	Sustainability Indicators and Reporting Principles: p. 97	
2-4	Restatements of information	Sustainability Indicators and Reporting Principles: p. 93	No restatements to previously reported information.
2-5	External assurance		Sustainability report does not have external assurance.
Activities and workers			
2-6	Activities, value chain and other business relationships	Strategy and Business Operations: p. 13-38	
2-7	Employees	Sitowise Personnel in Figures: p. 63-65	
2-8	Workers who are not employees		Data not available. Sitowise does not track the number of such persons in the company.
Governance			
2-9	Governance structure and composition	Committees Support the Activities of the Board, and the Management Team Supports the CEO: p. 86-87	
2-10	Nomination and selection of the highest governance body	Committees Support the Activities of the Board, and the Management Team Supports the CEO: p. 86-87	
2-11	Chair of the highest governance body	Sitowise Board of Directors and Management team: p. 82-85	
2-12	Role of the highest governance body in overseeing the management of impacts	Committees Support the Activities of the Board, and the Management Team Supports the CEO: p. 86-87	
2-13	Delegation of responsibility for managing impacts	Committees Support the Activities of the Board, and the Management Team Supports the CEO: p. 86-87	
2-14	Role of the highest governance body in sustainability reporting	Committees Support the Activities of the Board, and the Management Team Supports the CEO: p. 86-87	
2-15	Conflicts of interest	Committees Support the Activities of the Board, and the Management Team Supports the CEO: p. 86-87	
2-16	Communication of critical concerns	Committees Support the Activities of the Board, and the Management Team Supports the CEO: p. 86-87	
2-17	Collective knowledge of the highest governance body	Committees Support the Activities of the Board, and the Management Team Supports the CEO: p. 86-87	
2-18	Evaluation of the performance of the highest governance body	Committees Support the Activities of the Board, and the Management Team Supports the CEO: p. 86-87	



Code	GRI Content	Location	Omissions and further information
2-19	Remuneration policies	A Healthy Work Community And Good Supervisor Work Support Well-Being: p. 71	Information according to paragraph A. ii-v of the standard are not reported.
2-20	Process to determine remuneration	A Healthy Work Community And Good Supervisor Work Support Well-Being: p. 71	Information according to paragraph A. ii-iii and B of the standard are not reported.
2-21	Annual total compensation ratio	A Healthy Work Community And Good Supervisor Work Support Well-Being: p. 71	Information according to paragraph b and c of the standard are not reported.
Strategy, policies and practices			
2-22	Statement on sustainable development strategy	From the CEO: p. 6-7	
2-23	Policy commitments	Corporate Governance is the Basis For Sustainable Operations: p. 78-81	Sitowise is part of Global Compact initiative.
2-24	Embedding policy commitments	Corporate Governance is the Basis For Sustainable Operations: p. 78-81	
2-25	Processes to remediate negative impacts	Corporate Governance is the Basis For Sustainable Operations: p. 78-81	
2-26	Mechanisms for seeking advice and raising concerns	Corporate Governance is the Basis For Sustainable Operations: p. 78-81	
2-27	Compliance with laws and regulations	Corporate Governance is the Basis For Sustainable Operations: p. 78-81	
2-28	Membership associations	The Industry Develops through Collaboration: p. 55	
Stakeholder engagement			
2-29	Approach to stakeholder engagement	Sustainability Is at the Core of the Business: p. 52-54	
2-30	Collective bargaining agreements	A Healthy Work Community And Good Supervisor Work Support Well-Being: p. 72	
MATERIAL SUSTAINABILITY TOPICS			
GRI 3: Material Topics (2021)			
3-1	Process to determine material topics	Sustainability Is at the Core of the Business: p. 52-54	
3-2	List of material topics	Sustainability Indicators and Reporting Principles: p. 88-91	
3-3	Management of material topics	Sustainability Is at the Core of the Business: p. 52-54 Sustainability Indicators and Reporting Principles: p. 88-91	Information according to paragraph a about human rights impact of the standard are not reported. Information according to paragraphs b and d ii of the standard are not reported.
ECONOMIC IMPACTS			
201 Economic performance (2016)			
201-1	Direct economic value generated and distributed	New Strategy 2025: Redefining Smartness in Cities: p. 20	
201-2	Financial implications and other risks and opportunities due to climate change	Risk Management is Integrated with Management: p. 81	Information according to paragraph a of the standard are not reported. Climate risks are viewed as part of company's over all risk assessment process.
201-3	Defined benefit plan obligations and other retirement plans	A Healthy Work Community And Good Supervisor Work Support Well-Being: p. 72	Information according to paragraphs a-e of the standard are not reported. Retirement plans explained.
205 Anti-corruption (2016)			
205-1	Operations assessed for risks related to corruption	Risk Management is Integrated with Management: p. 81	Information according to paragraph a of the standard is not reported.
205-2	Communication and training about anti-corruption policies and procedures	Corporate Governance is the Basis For Sustainable Operations: p. 78-80	Training moved to new platform middle of the year. Information according to paragraphs a-e of the standard are not reported. The percentages were not reported by personnel group or geographically. Reported only percentage of the whole personnel.
205-3	Confirmed incidents of corruption and actions taken		No confirmed incidents of corruption during the reporting period.
206 Anti-competitive behaviour (2016)			
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices		No such legal actions during the reporting period.



Code	GRI Content	Location	Omissions and further information
ENVIRONMENTAL IMPACTS			
305 Emissions (2016)			
305-1	Direct (Scope 1) GHG emissions	Sitowise's Carbon Footprint, Calculation Principles, and Delimitations: p. 92-93	
305-2	Energy indirect (Scope 2) GHG emissions	Sitowise's Carbon Footprint, Calculation Principles, and Delimitations: p. 92-93	
305-3	Other indirect (Scope 3) GHG emissions	Sitowise's Carbon Footprint, Calculation Principles, and Delimitations: p. 92-93	
305-4	GHG emissions intensity	Sitowise's Carbon Footprint, Calculation Principles, and Delimitations: p. 92-93	
305-5	Reduction of GHG emissions	Sitowise will be carbon neutral in 2025: p. 48-51	Information according to paragraphs a-e of the standard are not reported. Reported what kind of activities are done to reduce emissions.
SOCIAL IMPACTS			
401 Employment (2016)			
401-1	New employee hires and employee turnover	Sitowise Personnel in Figures: p. 63-65	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	A Healthy Work Community And Good Supervisor Work Support Well-Being: p. 71	
401-3	Parental leave	A Healthy Work Community And Good Supervisor Work Support Well-Being: p. 72	Information according to paragraphs a, d and e of the standard are not reported. Reported number of employees that took parental leave and return to work rate.
403 Occupational health and safety (2018)			
403-1	Occupational health and safety management system	A Healthy Work Community And Good Supervisor Work Support Well-Being: p. 66	
403-2	Hazard identification, riskassessment, and incident investigation	A Healthy Work Community And Good Supervisor Work Support Well-Being: p. 68	
403-3	Occupational health services	A Healthy Work Community And Good Supervisor Work Support Well-Being: p. 66	
403-4	Worker participation, consultation, and communication on occupational health and safety	A Healthy Work Community And Good Supervisor Work Support Well-Being: p. 66	
403-5	Worker training on occupational health and safety	A Healthy Work Community And Good Supervisor Work Support Well-Being: p. 68	
403-6	Promotion of worker health	A Healthy Work Community And Good Supervisor Work Support Well-Being: p. 66	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	A Healthy Work Community And Good Supervisor Work Support Well-Being: p. 66	
403-8	Workers covered by an occupational health and safety management system		Data not available.
403-9	Work-related injuries	A Healthy Work Community And Good Supervisor Work Support Well-Being: p. 68	Information according to paragraphs a-g of the standard are not reported. Reported number of injuries per country.
403-10	Work-related ill health	A Healthy Work Community And Good Supervisor Work Support Well-Being: p. 67	Information according to paragraphs a-e of the standard are not reported. Reported total number of ill-health cases.
404 Training and education (2016)			
404-1	Average hours of training per year per employee		Data not available.
404-2	Programmes for upgrading employee skills and transition assistance programmes	A Healthy Work Community And Good Supervisor Work Support Well-Being: p. 70	
404-3	Percentage of employees receiving regular performance and career development reviews	A Healthy Work Community And Good Supervisor Work Support Well-Being: p. 70	
405 Diversity and equal opportunity (2016)			
405-1	Diversity of governance bodies and employees	Sitowise Employees in Figures: p. 63-65	
405-2	Ratio of basic salary and remuneration of women to men		Not reported. Salary comparison will be carried out during 2023.
406 Non-discrimination (2016)			
406-1	Incidents of discrimination and corrective actions taken	A Healthy Work Community And Good Supervisor Work Support Well-Being: p. 68	
415 Public policy (2016)			
415-1	Political contributions		Sitowise does not make contributions to political activity.

BACKGROUND INFORMATION ON THE SUSTAINABILITY DATA

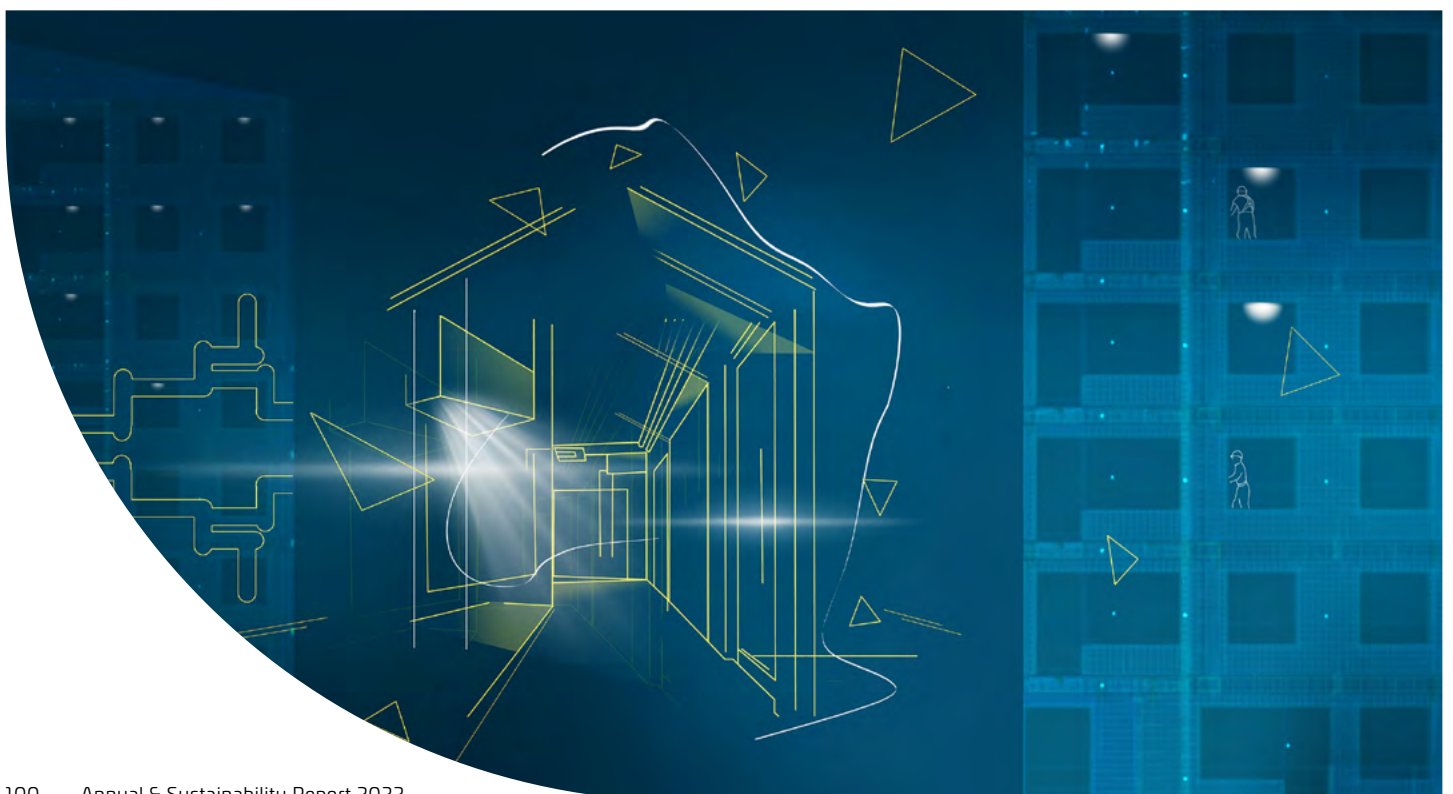
The energy classes of the buildings designed by the buildings business area have been obtained from the energy certificate register maintained by ARA and energy certificates signed by Sitowise.

The infrastructure business area's projects were monitored using Sitowise's sustainability tool. The tool is based on the UN Sustainable Development Goals.

The indicator of the digital solutions business area applies to projects in this business area. The result was obtained by reviewing whether an information system or service has been made or specified for the client or whether data was otherwise made available to enable sustainable decision-making.

In the use of the sustainability tool, the projects established in Finland during 2022 and the sustainability goals recorded in these projects have been monitored. For 2021, the figures have been revised to reflect the situation at the time of reporting, as some of the projects established in 2021 have had sustainability goals recorded after the publication of the previous annual report.

The HR organization of Sitowise is responsible for the maintenance and correctness of personnel data.



Information for shareholders

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Sitowisen sijoittajasuhteet

ACTIVITIES IN 2022

During 2022, Sitowise met with investors and analysts in several different investor meetings. At the same time, the company developed its investor relations activities for the coming years.

The publication dates of Sitowise's 2021 Financial Statements Release and 2022 Interim Reports and Half-Year Report were 2 March, 18 May, 17 August and 2 November. In connection with the results announcements, Sitowise organized information sessions for investors, analysts and the media, where the company's CEO and CFO presented the results of the reporting period. The events were organized as webcasts and conference calls and could be followed live and afterwards with the presentation materials on Sitowise's investor website.

INVESTOR CALENDAR 2023

Financial Statements Release 202228 February 2023
 Annual Report & Sustainability Report 2022 (in Finnish) .. week 13
 (week starting on 27 March 2023)
 Annual General Meeting 2023 25 April 2023
 Interim Report for January–March 202310 May 2023
 Capital Markets Day 7 June 2023
 Half-Year Report for January–June 2023 16 August 2023
 Interim Report for January–September 2023 ...2 November 2023

The company observes a 30-day silent period before publishing the Interim Reports and Half-Year report, and a 45-day silent period before publishing the Financial Statements Release. In 2023, the silent periods start on 14 January, 10 April, 17 July and 3 October. During the silent period, representatives of Sitowise do not comment on the company's financial situation or meet capital market representatives.

CONTACT DETAILS



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Annual General Meeting 2023

Notice is given to the shareholders of Sitowise Group Plc to the Annual General Meeting to be held on Tuesday 25 April 2023 at 11:00 a.m. (EEST) at Dipoli, at Otakaari 24, 02150 Espoo, Finland. The reception of persons who have registered for the meeting and the distribution of voting tickets will commence at 10:15 a.m. (EEST).

More information about the Annual General Meeting, including the meeting agenda and instructions for registration in Sitowise.com ► **Annual General Meeting**

Share and Shareholders

SHARE PRICE DEVELOPMENT IN 2022



SHAREHOLDERS

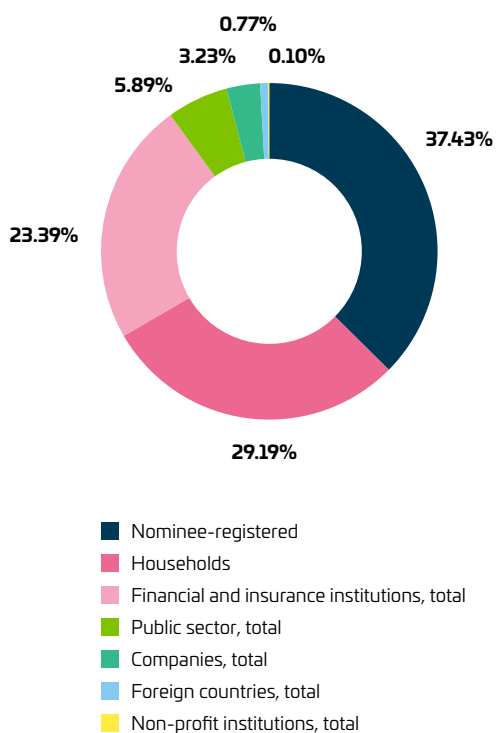
The table below lists the ten largest Sitowise shareholders on 31 December 2022. The information is based on the Monitor service provided by the Swedish company Modular Finance AB: *)

Shareholder	Number of shares	% of shares
1 Intera Partners Oy	5,121,573	14.4%
2 Lannebo Funds	2,264,924	6.4%
3 Paradigm Capital AG	1,784,944	5.0%
4 Handelsbanken Funds	1,702,079	4.8%
5 Didner & Gerge Funds	1,463,414	4.1%
6 Evli Fund Management	1,261,000	3.5%
7 Ilmarinen Mutual Pension Insurance Company	1,071,500	3.0%
8 SEB Funds	895,206	2.5%
9 Avanza Pension	854,769	2.4%
10 Erik Löb	850,000	2.4%
10 largest, total	17,269,409	48.4%
Total shares	35,665,927	

*) Data may be incomplete regarding the number of shares and shareholders. It is not possible for the company to verify the accuracy or timeliness of the information. The company is not responsible for the information supplied by the service provider, which is given only as additional information. The company's shareholder register is available from Euroclear, and the company additionally publishes any flagging notifications it receives as stock exchange releases.

SHAREHOLDERS BY SECTOR

Largest shareholders by sector, 31 December 2022 *)



Rank	Shareholders by sector	Number of shares	% of shares
1	Nominee-registered	13,350,344	37.43%
2	Households	10,410,571	29.19%
3	Financial and insurance institutions, total	8,341,337	23.39%
4	Public sector, total	2,101,500	5.89%
5	Companies, total	1,152,535	3.23%
6	Foreign countries, total	275,662	0.77%
7	Non-profit institutions, total	33,978	0.10%
	All shares, total	35,665,927	100.00%

*) Source: Euroclear Finland Oy.

FLAGGING NOTIFICATIONS IN 2022

During the year, Sitowise Group Plc received three flagging notifications in accordance with Chapter 9, Section 10 of the Securities Markets Act.

On 7 March 2022, The Capital Group Companies, Inc. issued a flagging notice according to which its indirect ownership of the Company's shares and votes decreased to less than 5 per cent on 4 March 2022.

On 27 October 2022, Paradigm Capital Value Fund SICAV issued a flagging notice according to which its direct ownership of the Company's shares and votes increased to 5 per cent on 26 October 2022. According to the notice, Paradigm Capital Value Fund SICAV held at the moment of flagging a total of 1,784,944 shares, corresponding to 5.00 per cent of the Company's shares and votes.

On 29 November 2022, Avanza Bank Holding AB and Försäkringsaktiebolaget Avanza Pension issued a flagging notice according to which their indirect ownership of the Company's shares and votes decreased to 4.78 per cent on 28 November 2022. According to the notice, Avanza Bank Holding AB and Försäkringsaktiebolaget Avanza Pension held at the moment of flagging a total of 1,704,769 shares, corresponding to 4.78 per cent of the Company's shares and votes. Försäkringsaktiebolaget Avanza Pension is a fully owned subsidiary of Avanza Bank Holding AB (publ). The shares have been sold by its policyholders listed below. According to the Monitor service provided by Modular Finance AB, the indirect holding of Avanza Pension had dropped further, to 2.4 per cent, by the end of 2022.

KNOWN SHAREHOLDER AGREEMENTS

The company is not aware of any agreements in force related to the ownership of the company's shares and the use of voting rights.

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The Smart City Company

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